

## Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.



1.9  
EC 752F  
TS



United States  
Department of  
Agriculture

Cap. 3

Economic  
Research  
Service

TS-188  
June 1984

# Tobacco

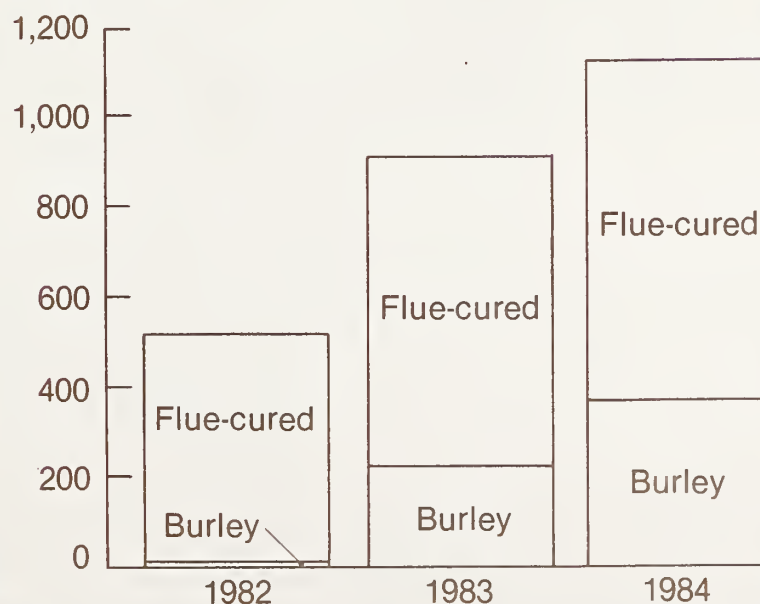
## Outlook and Situation Report

U.S. DEPT. OF AGRICULTURE  
NATL. AGRIC. LIBRARY

DEC 24 1984

### Unsold Loan Stocks Climb

Million lbs.



Stocks at beginning of marketing year. 1984 forecast.

# Contents

<b>Tobacco Products</b> .....	2
<b>U.S. Exports and Imports</b> .....	4
<b>Tobacco Leaf Situation and Outlook</b> .....	8
Flue-Cured .....	9
Burley .....	12
Southern Maryland .....	14
Fire-Cured .....	15
Dark Air-Cured .....	15
Cigar Tobacco .....	18
<b>List of Tables</b> .....	25
<b>Special Article</b>	
Costs of Producing Burley Tobacco: 1982 and 1983 and Projected 1984 .....	26
<b>Statistical Summary</b> .....	29

**Principal Contributor:**

Verner N. Grise  
(202)447-8776

**Statistical Assistant:**

Laverne M. Creek  
(202)447-8776

**National Economics Division  
Economic Research Service  
U.S. Department of Agriculture  
Washington, D.C. 20250**

---

Approved by the World Agricultural Outlook Board. Summary released June 7. The next summary of the **Tobacco Outlook and Situation** is scheduled for release on Sept. 18. It will appear on several computer networks by 3:30 ET the same day. Full text and tables are also released electronically, often several days before the report itself is published. For information on providers of electronic access to Outlook and Situation reports, write EMS/USDA, Rm 440 GHI, Washington, D.C. 20250. Telephone (202) 382-9754.

**Tobacco Outlook and Situation** is published in March, June, September, and December. Annual subscription: \$8 U.S., \$10 foreign. Order from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Make checks payable to the Superintendent of Documents.

Current subscribers will receive renewal notices from the Government Printing Office approximately 90 days before their subscriptions expire. Notices will be sent **ONLY ONCE** and should be returned promptly to ensure uninterrupted service.

---

# Summary

**Total disappearance of U.S. tobacco** is estimated to decline about 3 percent this season because of lower domestic use and exports. Still, use will exceed 1983/84 marketings, so stocks carried over to the new marketing year (beginning July 1 for flue-cured and October 1 for burley and other kinds) will likely decline about 3 percent from last year's 3.82 billion pounds.

**Supplies are expected to remain stable** next marketing year because an anticipated rise in the 1984 crop may about offset the drop in beginning stocks. If acreage is near producers' planting intentions and yields are normal, marketings will be about a tenth above 1983's 1.51 billion pounds. With a larger crop and price support levels likely unchanged, auction prices may change little. Domestic use could decline further because of a slowdown in cigarette sales and increased tobacco imports. Tobacco exports may rise a little, but large foreign supplies, high prices, and the strong U.S. dollar will continue to inhibit shipments.

**February planting intentions** point to 4 percent less flue-cured acreage than last year. Average growing conditions and acreage near growers' intentions would produce a crop between 800 and 850 million pounds, with around 830 million most likely. So, total flue-cured supplies for 1984/85 could drop about 80 million pounds or around 3 percent. With weak demand prospects in 1984/85, loan receipts could again be large.

**Burley growers indicated** they would plant 7 percent more acres in 1984. With average yields, burley production could be 25 to 35 percent larger than 1983 marketings.

For the year ending June 30, Americans will likely consume 3 percent fewer cigarettes than a year earlier. Cigarette exports have also been off, so production for 1983/84 will fall below the 678 billion cigarettes produced last season. Production and domestic sales during the second half of calendar 1984 will do well to equal a year earlier because of higher prices. Cigar and snuff production is up this season. Output of chewing and smoking tobacco has declined.

**Unmanufactured tobacco exports** during July 1983-April 1984 were 1 percent above a year earlier. However, export volume for the entire marketing year may decline a little from 1982/83. Flue-cured exports during the first 10 months of 1983/84 were about the same as a year earlier. For the marketing year, about 445 million pounds of flue-cured tobacco, farm-sales weight, will likely be exported, 2 percent less than the year before. Burley exports will probably decline from 1982/83's 135 million pounds, also farm sales weight.

**During July 1983-March 1984**, U.S. imports of unmanufactured tobacco for consumption and customs category 170.8045 (tobacco manufactured or not manufactured, not specifically provided for) were up 29 percent from a year earlier. Part of the hike was due to abnormally large clearances in July and August in anticipation of a Customs reclassification of machine-threshed leaf. On April 1, U.S. manufacturers' stocks of imported cigarette tobacco declined from a year earlier.

**Total disappearance of flue-cured** tobacco in 1983/84 may drop about 3 percent from last season's 935 million pounds because of reduced U.S. cigarette output and smaller exports. Disappearance will likely exceed 1983 marketings, so July 1 stocks could drop further because 1984 marketings are expected to fall short of use.

**This season, burley use** may decline from last year's 579 million pounds. Both domestic use and exports are expected to drop. Since use is above marketings, October 1 stocks will likely decline from last year's 1.32 billion pounds. However, growers are expected to produce and market more burley in 1984/85, and marketings will likely exceed use, again boosting already large stocks.

**Maryland tobacco prices dropped** sharply because of the low-quality 1983 crop. Disappearance of Maryland tobacco may fall this season. The use of fire-cured tobacco will about equal last season's high, and supplies for next season will likely be a little lower than during 1983/84. Use of cigar leaf has declined, but the crop is expected to fall short of use. Therefore, next season's stocks will decline.



## TOBACCO PRODUCTS

### *Cigarette Use Declines as Prices Rise*

During 1983/84, Americans likely consumed 3 percent fewer cigarettes than last year's 620 billion (table 1). Per capita use was down even more because the adult population was larger. The reduced consumption was largely due to higher prices mainly resulting from increased Federal and State excise taxes. U.S. manufacturers shipped about 1 percent fewer cigarettes for domestic use during July 1983-March 1984 than they did a year earlier. Domestic cigarette use may be a little lower this coming July-December, compared with a year earlier.

Total output in 1983/84 is estimated at 660 billion, about 3 percent fewer than last year. This total includes about 66 billion for exports and for overseas shipments to U.S. possessions and the military. Through March, exports were down 15 percent from a year earlier. Although the European Community (EC) has shown a growing preference for U.S.-type cigarettes over the last decade, a number of countries have shifted to locally produced cigarettes under license arrangements where American brands are produced by local companies (table 2).

Manufacturers raised wholesale cigarette prices three times last year, by a total of 15 to 16 percent. This followed increases of 25 to 30 percent in 1982. Retail cigarette prices rose 5 percent from April 1983 to April 1984, and they are expected to rise further this year because of both increased taxes and higher operating costs. As in 1982, 1983 cigarette prices rose more rapidly than the index for all consumer items. By contrast,

between 1974 and 1981, cigarette prices did not rise as rapidly as the overall index.

As estimated by State tax data, cigarette shipments during January-March 1984 were up 6 percent from a year earlier. However, the rise overstates retail sales because, at the end of 1982, retailers sharply increased inventories before a Federal stocks' tax became effective in early 1983 (The tax excluded cigarettes held by retailers). Retailers worked off the extra inventories the

**Table 1.—U.S. cigarette exports to leading destinations, 1982-84**

Country	January-April			
	1982	1983 <sup>1</sup>	1983	1984
Billions				
Belgium-Luxem- bourg	15.7	13.0	4.8	3.2
Hong Kong	7.7	7.4	1.8	2.0
United Arab Emirates	.6	1.3	.7	.3
Netherlands Antilles	3.6	1.4	.7	.5
Saudi Arabia	5.5	6.2	1.6	1.9
Japan	4.8	5.5	1.7	2.6
Kuwait	1.4	1.5	.6	.4
Spain <sup>2</sup>	1.8	1.2	.3	.3
Colombia	1.5	.7	.3	0
Other	31.0	22.5	7.5	6.9
Total	73.6	60.7	20.0	18.1

<sup>1</sup>Subject to revision. <sup>2</sup>Includes Canary Islands.

Compiled from publications and records of the Bureau of the Census.

**Table 2.—Cigarettes: U.S. output, removals, and consumption, 1975-84**

Year	Output	Taxable	Removals Tax-exempt				Estimated inventory increase	Total U.S. consump- tion <sup>3</sup>
			Total	Exports	Shipments <sup>1</sup>	Overseas forces <sup>2</sup>		
Billions								
1975	651.2	588.3	62.3	50.2	1.5	10.6	-7.7	607.2
1976	693.4	617.9	72.1	61.4	1.9	8.8	13.5	613.5
1977	665.9	592.0	78.1	66.8	1.1	10.2	-14.4	617.0
1978	695.9	614.2	85.1	74.4	1.2	9.6	8.2	616.0
1979	704.4	614.0	93.8	79.7	1.1	13.0	5.7	621.5
1980	714.1	620.5	94.2	82.0	.9	11.3	2.3	631.5
1981	736.5	638.1	92.0	82.6	.8	8.6	7.0	640.0
1982	694.2	614.1	82.1	73.6	.8	7.7	-11.8	634.0
1983 <sup>4</sup>	667.0	597.5	69.7	60.7	.8	8.2	7.2	600.0
Year ending June 30								
1975	626.8	570.3	57.4	46.6	1.7	9.1	-21.7	601.0
1976	688.2	619.1	69.8	58.2	1.9	9.6	14.0	615.0
1977	671.7	596.3	74.1	62.8	1.3	10.0	-9.7	616.5
1978	685.4	609.6	81.5	69.4	1.0	11.1	3.0	618.0
1979	707.0	615.2	92.2	78.8	1.2	12.2	12.1	616.0
1980	697.0	605.8	93.2	82.9	1.3	9.0	-7.2	622.0
1981	727.8	631.4	92.0	83.0	.9	10.1	5.9	637.0
1982	721.5	632.3	86.8	78.8	.8	7.2	5.1	635.7
1983 <sup>4</sup>	678.4	600.0	75.3	65.5	.8	9.0	-9.5	620.0
1984 <sup>5</sup>	660.0	590.0	66.0	56.0	.8	9.2	0.7	600.0

<sup>1</sup>To Puerto Rico and other U.S. possessions. <sup>2</sup>Includes ship stores and small tax-exempt categories. <sup>3</sup>Taxable removals, overseas forces, inventory change and imports (negligible). <sup>4</sup>Subject to revision. <sup>5</sup>Estimated.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms and the Bureau of the Census.

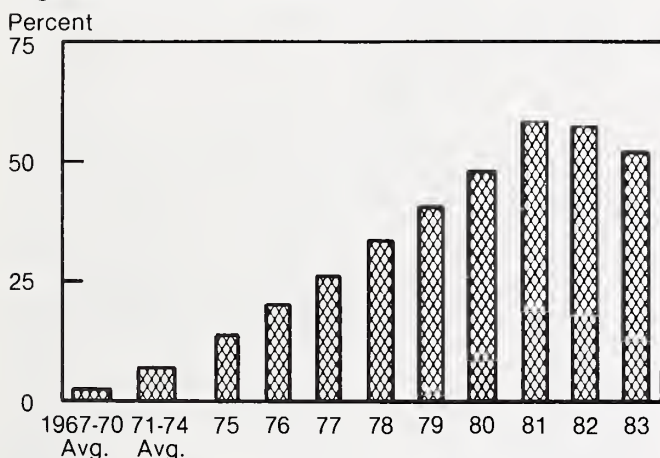
first part of last year, thus causing this year's difference to be overstated.

Three States have already announced cigarette excise tax hikes in 1984. Rates increased in Arizona, Louisiana, and Alabama by an average of 2.5 cents a pack. In addition, a number of States have proposed tax increases. Thirteen States raised taxes last year, and another added a surcharge. About 70 percent of the States now impose sales taxes on cigarettes, and laws are pending to do so in other States.

### Cigar Consumption Rises

During July 1983-March 1984, U.S. cigar consumption totaled 2.7 billion *large cigars* (including cigarillos), 1 percent more than a year earlier. Demand has been declining in the low- and medium-priced categories for several years. However, demand for higher priced cigars remains strong (table 3).

### Cigarettes: Low-Tar Market Share°

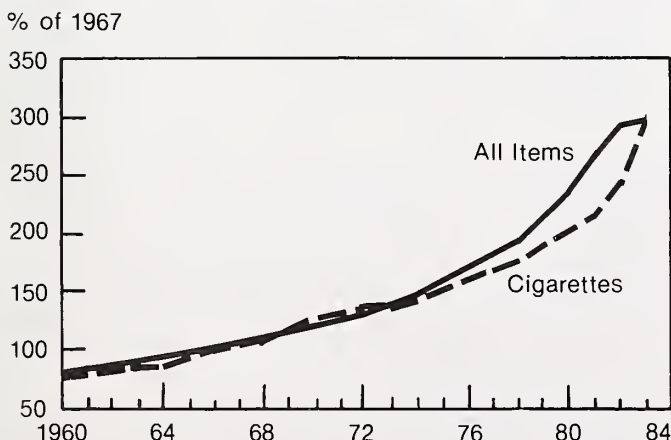


°15 mg. "Tar" or less. Federal Trade Commission Data. Latest year estimated.

USDA

Neg. ERS 7143-84(6)

### Consumer Price Index and Cigarette Prices



BLS Data. Beginning 1978 for all urban consumers. Cigarettes, filter tip, king size for 1960-77.

USDA

Neg. ERS 7145-84(6)

Production of small cigars (those weighing less than 3 pounds per thousand) totaled 1.02 billion in the first three quarters. For the year ending June 30, output is expected to rise about 6 percent from a year earlier (table 4).

### Smoking and Chewing Tobacco Continue Down

*Smoking tobacco* production and consumption for the year ending June 30 are continuing the downward trend that has prevailed since 1970. In the first 9 months of 1983/84, the output of domestic smoking tobacco declined about 9 percent from a year earlier. Imports declined and domestic sales dropped 8 percent from a year earlier.

*Smokeless tobacco* output in 1983/84 is expected to drop from the previous year. Moist and firm plug chewing tobacco are both down as is loose leaf chewing tobacco. Both moist and dry snuff are up.

### Civil Aeronautics Board Ruling

On June 1, the Civil Aeronautics Board signed a new airline smoking regulation that continues to permit smoking on short flights of 1 or 2 hours as well as longer flights. However, it banned smoking on commercial flights on planes with 30 seats or less. Cigar and pipe smoking are banned on all commercial aircraft. No change was made in the current prohibition against "sandwiching" a nonsmoking section between two smoking sections in the same class. Also, no ruling was made on banning smoking at the request of "especially sensitive" persons.

### New Cigarette Warning Label Proposed

The House Energy and Commerce Committee passed legislation on May 17 that would change the warning label on cigarette packages. Under the proposed change, four separate messages about the hazards of smoking would be rotated at about 3-month intervals. One year after enactment, all cigarette packages would bear one of the following warnings:

- Surgeon General's Warning: Smoking causes lung cancer, heart disease, and emphysema.
- Surgeon General's Warning: Quitting smoking now greatly reduces serious health risk.
- Surgeon General's Warning: Smoking by pregnant women may result in fetal injury and premature birth.
- Surgeon General's Warning: Cigarette smoke contains carbon monoxide.

Warnings on cigarette packages would be 50 percent bigger than present ones, and be surrounded by thick lines. Similar warnings would be posted in billboard and published ads for cigarettes.

The warnings would replace the current required label that states: "Warning: The Surgeon General Has Determined That Cigarette Smoking Is Hazardous to Your Health."

**Table 3.—Cigars and smoking tobacco: Output, removals, and consumption, 1981-84**

Year and item	U.S. factories			From Puerto Rico, taxable	Imports	Exports	Total U.S. consumption <sup>1</sup>
	Output	Removals					
		Taxable	Tax-exempt				
<i>Millions</i>							
Large cigars and cigarillos							
1981	3,428	3,256	160	534	124	181	3,893
1982	3,169	3,056	158	500	134	181	3,667
1983 <sup>2</sup>	3,135	3,031	140	429	135	130	3,605
Year ending June 30							
1981	3,506	3,289	187	558	133	<sup>3</sup> 200	3,967
1982	3,463	3,142	170	542	107	180	3,781
1983	2,911	3,002	144	420	132	138	3,560
1984 <sup>3</sup>	3,270	3,015	135	430	135	120	3,595
Million pounds							
Smoking tobacco							
1981	30.3	30.0	.8	—	6.6	.9	36.5
1982	28.3	27.8	.7	—	6.1	1.0	33.7
1983 <sup>2</sup>	28.0	27.0	.6	—	6.7	1.0	33.3
Year ending June 30							
1981	31.5	29.5	.8	—	5.5	.8	35.7
1982	29.3	29.1	.8	—	6.6	1.0	35.5
1983	29.1	27.7	.6	—	6.2	1.0	33.5
1984 <sup>3</sup>	26.6	25.6	.5	—	4.9	.9	30.0

<sup>1</sup>Total removals (or sales) from U.S. factories plus those from Puerto Rico, and imports, minus exports. <sup>2</sup>Subject to revision. <sup>3</sup>Estimated.

Compiled from reports of the Bureau of Alcohol, Tobacco, and Firearms, Bureau of the Census, and AMS, USDA.

### Government Issues Report on Smoking and Lung Disease

The Department of Health and Human Services in May released *The Health Consequences of Smoking: Chronic Obstructive Lung Disease*, a report by the Surgeon General. The report provides a biological explanation of how cigarette smoke may damage lung cells and evaluates how second-hand smoke may affect nonsmokers. The 1984 report was the third in a series on the health consequences of smoking. The 1982 report reviewed the association between smoking and cancer and the 1983 report summarized research on the relationship between smoking and heart disease.

### EXPORTS AND IMPORTS

#### Exports May Decline in 1983/84

For the year ending June 30, 1984, exports of unmanufactured tobacco may decline a little from 1982/83's 527 million pounds, export weight (635 million, farm-sales weight). Exports during May and June are expected to decline.

During July 1983-April 1984, exports rose 1 percent to 462 million pounds, while the average unit value increased 8 percent. The seasonal peak in shipments to Japan, the EC, and other European markets came in late 1983 (table 5).

Exports of flue-cured tobacco during July 1983-April 1984 were about the same as a year ago. But burley was up 9 percent, as importers rebuilt their holdings from

**Table 4.—Tobacco products: Output, 1982-84**

Item	Year ending June 30		
	1982	1983	1984 <sup>1</sup>
<i>Million pounds</i>			
Chewing tobacco			
Plug-firm	10.7	9.9	9.5
Plug-moist	5.3	4.8	4.0
Twist	1.8	1.7	1.6
Loose leaf	72.8	73.6	70.0
Total	90.6	90.0	85.1
Snuff-dry	11.5	9.7	10.5
Snuff-moist	32.4	35.0	37.0
Total	43.9	44.7	47.5
Smoking tobacco in bulk (exports)	10.9	9.8	10.5
<i>Millions</i>			
Small cigars	1,319	1,289	1,370

<sup>1</sup>Estimated.

1982-crop loan stocks and some of the better tobacco from the generally poor-quality 1983 crop. Maryland and cigar kinds also rose, while fire-cured and dark air-cured leaf declined. However, Black Fat takings rose sharply.

Both Asian and EC countries took less. Within the EC, West Germany and the United Kingdom took less because tax increases have depressed cigarette sales, and they are substituting less expensive tobacco for the U.S. product. Recent tax increases in the United Kingdom and the Netherlands, as well as a proposed hike in West Germany, may result in further drops in consumption in



**Table 5—U.S. exports of unmanufactured tobacco by types and  
to principal importing countries, 1979-84**

**(Declared weight)**

Type & country	1979	1980	1981	1982	1983 <sup>1</sup>	January-April 1983	1984 <sup>1</sup>	1984 as a % of 1983
	<i>Million pounds</i>					<i>Percent</i>		
Type								
Flue-cured	370.6	391.1	386.3	348.4	310.6	79.8	90.8	114
Burley	82.1	90.8	74.1	103.6	90.8	39.2	39.7	101
Maryland	6.0	7.1	7.3	6.7	8.1	.9	.7	78
Fire-cured, Ky. and Tenn.	13.7	14.6	16.3	18.8	19.6	7.0	5.4	77
Virginia fire & sun-cured	3.1	2.9	1.5	2.7	1.1	.3	.7	233
Green River & One-Sucker	.2	.1	.2	.2	.1	.1	*	—
Black Fat	3.2	2.6	2.5	2.2	1.9	.2	1.4	700
Cigar wrapper	5.3	4.2	2.5	1.1	.9	.3	.8	267
Cigar binder	.1	.2	.1	.1	.2	.1	.1	100
Cigar filler	.2	.2	.5	.2	.3	.1	.1	100
Perique	.1	.1	.1	.1	.4	.2	*	—
Stems, trimmings & scrap	77.2	77.5	83.8	78.1	75.8	24.2	18.1	75
Other unmanu. NEC <sup>2</sup>	5.7	7.2	9.3	9.8	14.6	3.1	4.4	142
Total	567.4	598.7	584.5	572.0	524.4	155.5	162.2	104
Country of destination								
United Kingdom	68.2	32.5	39.4	30.7	27.8	7.2	8.2	114
France	11.5	4.5	6.1	5.3	7.3	3.9	1.7	44
Belgium-Luxem.	5.4	7.9	9.5	15.2	9.6	2.0	2.8	140
Netherlands	29.3	44.9	28.6	25.1	28.4	9.5	8.6	91
West Germany	67.7	100.7	83.2	68.2	58.0	18.2	16.6	91
Denmark	16.4	17.5	11.1	16.8	20.2	7.4	3.1	42
Ireland	6.9	3.6	3.9	4.7	3.2	1.0	.6	60
Italy	34.8	30.7	26.5	28.1	32.2	24.6	27.0	110
Total EC	240.2	242.2	208.4	194.0	186.7	73.8	68.6	93
Switzerland	19.3	20.1	22.2	26.7	16.8	2.9	3.3	114
Finland	7.0	9.5	11.0	6.0	6.5	2.2	2.2	100
Norway	5.7	6.8	4.2	3.6	5.7	1.2	1.1	92
Sweden	13.7	15.4	9.9	8.7	12.4	2.4	4.0	167
Spain	1.0	28.7	33.4	31.8	40.0	12.2	25.7	211
Thailand	18.8	22.6	18.4	27.7	9.1	9.1	14.6	160
Rep. of Korea	13.1	13.6	10.7	1.1	0	0	0	0
Malaysia	8.4	8.4	6.9	9.7	7.2	.9	2.8	311
Philippines	11.4	11.5	11.2	15.2	11.1	2.9	.5	17
Taiwan	41.4	14.1	22.3	21.3	19.9	0	4.7	—
Japan	95.9	82.1	117.0	110.3	114.1	25.9	11.7	45
Australia	12.4	13.4	12.6	10.1	9.7	2.9	2.6	90
New Zealand	4.0	3.7	3.5	4.1	2.6	.5	.8	160
Egypt	3.8	17.4	16.1	22.0	21.6	.1	3.3	33
Other countries	71.3	89.2	76.7	79.7	61.0	18.5	16.3	88
Total	567.4	598.7	584.5	572.0	524.4	155.5	162.2	104

<sup>1</sup>Preliminary. <sup>2</sup>New classification, January 1, 1978. Previously included in manufactured in bulk. Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.

these countries during 1984/85. Japan took less because its stocks are large and use has stabilized.

Despite global supplies that are more than adequate, exports for the second half of calendar 1984 may slightly exceed a year earlier as importers replenish their stocks of U.S. tobacco. However, the export market for U.S. tobacco remains weak because U.S. price support rates are high relative to foreign prices and consumption is stabilizing in major developed countries—traditional markets for U.S. leaf. Also, global economic activity, though improving, still remains depressed, and interest rates continue relatively high. The value of the U.S. dollar remains strong compared with a number of currencies, further adding to foreign buyers' costs.

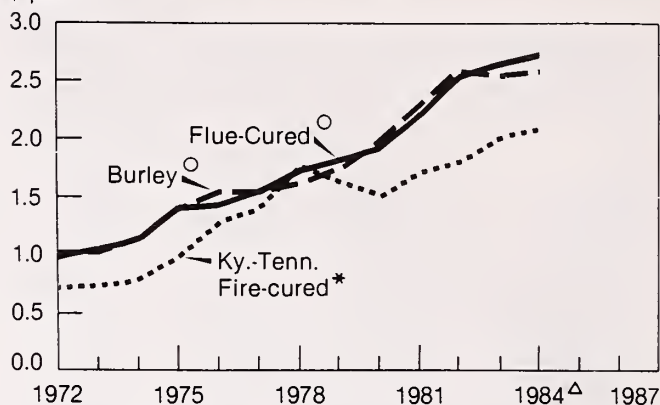
### Imports for Consumption Rise

During July 1983-April 1984, U.S. imports for consumption of unmanufactured tobacco and customs category 170.8045 (tobacco manufactured or not manufactured, not specifically provided for, other) were 29 percent higher than a year earlier. Machine-threshed imports rose sharply, especially in July and August. The increased imports were in anticipation of a tariff reclassification of certain tobaccos. Last July 12, the Customs Service announced that some imported cigarette tobacco that had been threshed or shredded would be reclassified as stemmed cigarette leaf—item 170.3500 on the U.S. tariff schedule. The change, effective August 28, raised the duty at the time from 17.5 to 32 cents a pound (now 29 cents a pound), and applied to all merchandise entered for consumption or withdrawn from warehouses for consumption on or after that date. Duties on cigarette and cigar leaf and scrap tobacco also increased.

Arrivals of tobacco (general imports) for the first 10 months (July 1983-April 1984) totaled 18 percent less than a year earlier. Cigarette and cigar leaf both rose, but scrap and mechanically threshed leaf (tobacco manufactured or not manufactured, not specifically provided for) both declined. Arrivals of mechanically threshed leaf fell sharply after the tariff reclassification.

### Average Tobacco Export Values

\$ per lb.



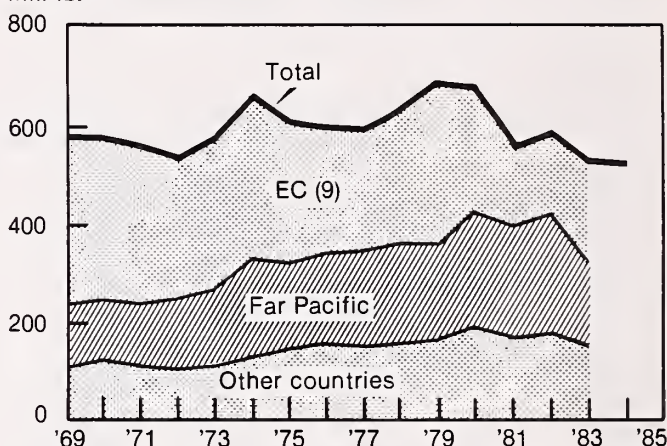
○ Unstemmed weight basis \*Declared weight basis. Year ending June 30.  
△ Preliminary.

USDA

Neg. ERS 5113-84(6)

### Export Markets for U.S. Tobacco

Mil. lb.



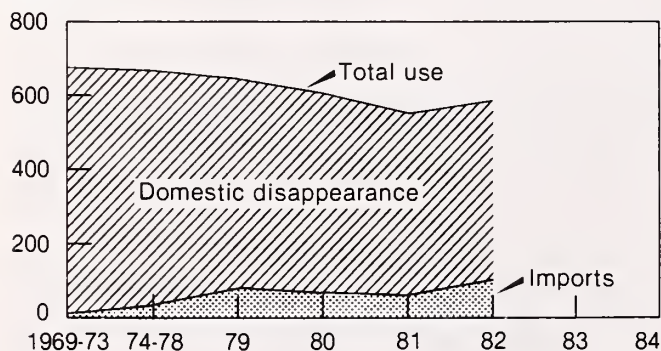
Unmanufactured, declared weight, year ending June 30.

USDA

Neg. ERS 487-84(6)

### U.S. Flue-Cured Imports and Domestic Use

Million lbs.

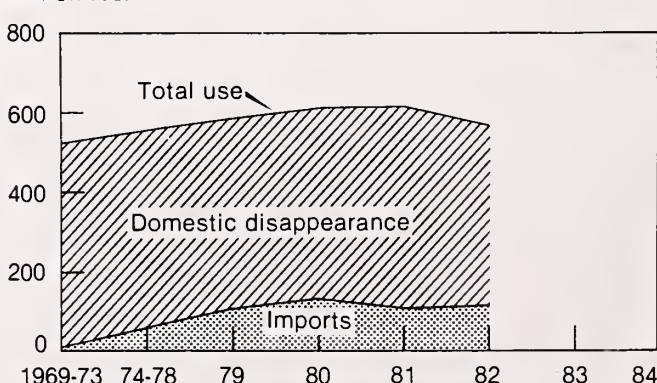


Imports for consumption (duty paid) of leaf, scrap, and manufactured or unmanufactured (beginning 1980), prorated according to reported stocks of imported flue-cured. Marketing year beginning July 1.

USDA

### U.S. Burley Imports and Domestic Use

Million lbs.



Imports for consumption (duty paid) of leaf, scrap, and manufactured or unmanufactured (beginning 1980), prorated according to reported stocks of imported burley. Marketing year beginning October 1.

USDA

**Table 6.—U.S. imports of unmanufactured tobacco for consumption and general, principal categories, and countries of origin, 1983-84<sup>1</sup>**

**(Declared weight)**

Classification and country of origin	Imports for consumption				General imports (arrivals)			
	1983	January-March		1984 as a percentage of 1983	1983	January-March		1984 as percentage of 1983
		1983	1984			1983	1984	
	Million pounds			Percent	Million pounds			Percent
Cigarette tobacco								
Leaf								
Oriental								
Turkey	112.7	26.6	28.0	105	110.0	78.9	48.6	62
Greece	31.1	7.0	8.5	121	32.0	7.0	16.7	239
Yugoslavia	10.2	2.1	2.6	124	20.3	11.7	5.9	50
Other countries	31.1	7.0	6.7	96	23.2	7.9	7.2	91
Flue-cured	14.8	3.2	1.7	53	17.0	3.3	1.1	33
Burley	12.3	2.8	6.6	235	27.2	5.7	6.0	105
Other	18.6	.1	29.2	2,920	23.5	.1	18.4	1,840
Subtotal	230.8	48.8	83.3	171	253.2	114.6	103.9	91
Manufactured or not manu- factured, NSPF, other								
Brazil	82.3	8.3	.3	4	54.8	3.1	*	—
Korea, Republic of	24.9	3.6	0	—	11.0	3.6	*	—
Mexico	20.8	1.6	.7	19	3.2	.2	*	—
Other countries	82.1	11.6	3.0	26	39.4	7.3	.6	8
Subtotal	210.1	25.1	4.0	16	108.4	14.2	.6	4
Scrap <sup>2</sup>								
Brazil	1.3	.2	.1	50	.8	0	0	—
Korea, Republic of	.1	*	*	—	.4	0	0	—
Italy	.3	*	*	—	.2	.2	0	—
Mexico	.2	*	*	—	.2	0	0	—
Turkey	5.1	1.6	1.8	113	7.7	.7	.8	114
Other countries	5.3	1.4	2.2	157	6.3	1.2	.6	50
Subtotal	12.5	3.2	4.1	128	15.6	2.1	1.4	67
Total	453.4	77.1	91.4	119	377.2	130.9	105.9	81
Cigar tobacco								
Wrapper	2.0	.6	.7	117	2.8	1.1	.4	36
Filler—stemmed and unstemmed								
Dominican Republic	.2	.2	3.2	16	2.9	1.7	2.1	124
Other countries	3.0	.4	1.3	325	15.5	5.1	7.1	139
Subtotal	3.2	.6	4.5	75	18.4	6.8	9.2	135
Scrap								
Philippines	5.1	1.5	1.2	80	4.5	1.6	.8	50
Indonesia	5.9	1.6	1.4	88	4.5	.5	.9	180
Dominican Republic	4.1	1.2	4.8	40	1.5	.9	1.2	133
Brazil	2.9	.8	.9	113	2.8	.6	*	—
Other countries	17.4	4.1	6.3	154	15.7	4.4	4.3	98
Subtotal	35.4	9.2	14.6	157	29.0	8.0	7.2	90
Total	40.6	10.4	19.8	190	50.2	15.9	16.8	106
Stems	33.7	3.9	6.0	154	32.5	3.7	6.0	162
GRAND TOTAL	527.7	91.4	117.2	128	459.9	150.5	128.7	86

<sup>1</sup>Preliminary. <sup>2</sup>Includes minor quantities for smoking tobacco, chewing tobacco, and snuff. Detail may not add to total due to rounding.

Compiled from publications and records of the Bureau of the Census.



With arrivals down, stocks of foreign-grown cigarette and smoking tobacco were 8 million pounds lower on April 1, 1984, than a year earlier.

### ***USDA Amends Standards To Include Most Imported Tobaccos***

The U.S. Department of Agriculture has amended its grade and quality standards to include all imported tobaccos except cigar and Oriental. The change was made because the Dairy and Tobacco Adjustment Act of 1983 requires the Secretary of Agriculture to establish grade and quality standards for all imported tobacco, except cigar and Oriental, which are equivalent to those for domestic tobacco marketed through U.S. warehouses. The tobacco will be inspected at the port of entry and importers will initially pay 0.0035 cents per pound for the service.

The changes affect imported flue-cured, dark fire-cured, burley, Maryland, and dark air-cured tobacco. The amendment adds nine new grades to the official standard grades for flue-cured tobacco, to more accurately describe both U.S. (types 11-14) and foreign-grown (type 92) by type, quality, and grade. Regulations governing the certification of imported cigar and Oriental tobacco will be proposed at a later date. Importers will be required to certify cigar and Oriental tobacco as to kind and type and, in the case of cigar tobacco, certify that it will be used solely in the manufacture of cigars.

### ***Farm Bureau Seeks Limitation of Tobacco Imports***

The American Farm Bureau Federation and 12 State Farm Bureaus have asked the Secretary of Agriculture to request emergency action to limit imports. They urged the Secretary to advise the President to impose emergency import quotas under section 22 of the Agricultural Adjustment Act—the Section that gives the President authority to curb imports if a domestic farm program is being jeopardized. As of June 7, no action had been taken.

## **WORLD FLUE-CURED TOBACCO PRODUCTION<sup>1</sup>**

The world flue-cured tobacco crop is forecast at about 6.2 billion pounds (about 2.8 million metric tons) in 1984, down 2 percent from 1983. Production in India is expected to drop sharply, while output in China is expected to change little from a year ago.

Zimbabwe's tobacco auctions for 1983/84 began on April 10. Prices averaged U.S.\$0.59 a pound during early sales, compared with last year's average of U.S.\$0.68. Although quality was up, the 13-percent decline in the U.S. dollar-equivalent price of the leaf sold so far reflects weaker export demand. More than 90 percent of Zimbabwe's production is exported. A larger flue-cured crop is expected in 1984. The Tobacco Marketing Board set this year's production target at 243 million pounds, up about 17 percent from 1983's output.

Malawi, another important African producer, is expected to turn out about 51 million pounds of flue-cured tobacco this year. Auctions began in April, and by early May, prices averaged U.S.\$ 1.03 a pound, up from a year earlier.

Canadian tobacco manufacturers and growers are again negotiating 1984 minimum grower prices for the Ontario flue-cured crop. The 1984 Canadian flue-cured crop is projected at 187 million pounds, 21 percent below last year's outturn. Production is expected to drop because of weak domestic demand, a decline in exports, and rising stocks.

Brazil's 1984 flue-cured production is expected to be about 3 percent above last year. In the principal producing area in southern Brazil, crop quality was about average, but better than the previous year when the crop was affected by heavy rains throughout the growing season. Grower price guarantees in 1984 were up about 180 percent, but the inflation rate was about 210 percent.

## **TOBACCO LEAF SITUATION AND OUTLOOK<sup>2</sup>**

Despite cool, wet weather during April, sufficient warm weather permitted the crop to grow well, and in the more southern regions, setting and growth was ahead of normal. However, some of the plants are flowering prematurely. Wet weather delayed plant bed and field preparation and transplanting in the burley area. By early June, setting was complete in Georgia and South Carolina and nearing completion in North Carolina and Virginia. However, it was just getting into full swing in Kentucky and Tennessee, because plants were small and in short supply in some areas.

Auctions for the 1984 flue-cured crop are expected to begin in mid-July, depending on the recommendations of the Flue-Cured Tobacco Advisory Committee (scheduled to meet July 2) and on when a sufficient marketable volume becomes available. Last year's auctions opened July 27, about 2 weeks later than usual so that legislation to freeze price supports could be enacted.

The 1981 amendment to The Tobacco Inspection Act of 1935 requires growers to pay for the USDA grading service. The fee was 0.55 cent a pound last marketing season and will remain at that level this year. The fees, paid by sellers at auction, are collected by USDA from warehouse operators.

With a smaller carryover, the larger crop should maintain the total tobacco supply in 1984/85. Price supports for flue-cured are frozen; USDA has recommended that burley supports be frozen; and supports for other types cannot increase in 1984. So, prices will do well to average the same as last year because of weak demand and stable support levels (table 7).

USDA's Crop Reporting Board will publish estimates of flue-cured acreage, yield, and production by State on July 10. The August 10 crop report will contain

<sup>1</sup>Summarized from various Foreign Agricultural Service reports.

<sup>2</sup>All quantities in this section are stated in farm-sales weight unless otherwise noted.



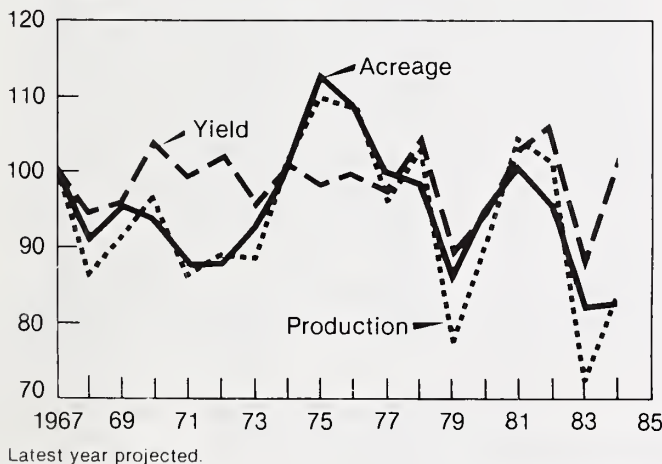
separate estimates of acreage, yield, and production for each class and type by State. Subsequent monthly reports, September 12 through November 9, will contain only estimates of acreage, yield, and production by State for all classes and types combined. However, some State Statistical Service offices plan to report estimates by type of tobacco for States producing a significant amount of more than one type. The Crop Reporting Board will publish estimates of burley acreage, yield, and production by State on December 10.

### Pesticide Residue Developments

Last year, the Flue-Cured Stabilization Corporation had a testing program that monitored grower's efforts to keep Maleic Hydrazide within limits acceptable to major foreign importers. About 870 grower samples averaged 104 parts per million, 6 percent above residue levels found in the 1982 crop. Twenty-one samples from research plots averaged 48 ppm. West German health officials and the cigarette industry consider 80 ppm and below acceptable.

### Tobacco Acreage, Yield, and Production

% of 1967

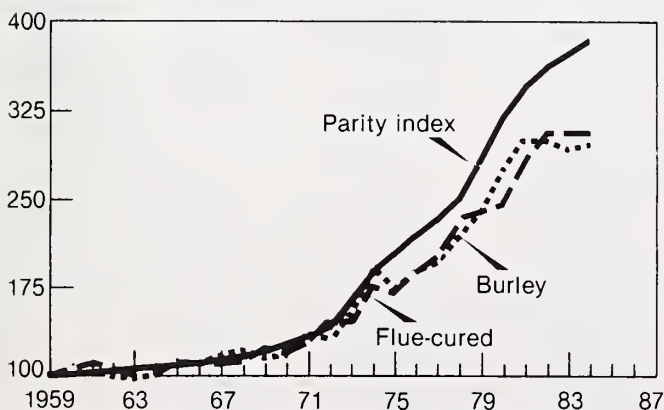


USDA

Neg. ERS 8149-84(6)

### Tobacco Prices and Parity Index

% of 1959



Prices paid for all items including interest, taxes, and wage rates. Latest year estimated.

USDA

Neg. ERS 782-84(6)

### USDA Proposes Rule on Flue-Cured Tobacco Allotments and Quotas

On May 1, USDA proposed a rule that would eliminate the lease and transfer of flue-cured tobacco quotas and would require, beginning with the 1987 crop, that flue-cured tobacco be grown on the farm to which allotments and quotas are assigned. The rule also exempts certain allotment holders from forfeiting flue-cured tobacco allotments and quotas.

Prior to the change adopted in the Dairy and Tobacco Adjustment Act of 1983, all individuals and "entities significantly involved in the management or use of land for agricultural purposes" could retain allotments. Under the proposed change, partnerships, and family farm corporations, trusts, estates, or similar fiduciary accounts that benefit one or more individuals may retain allotments, even if they are not significantly involved in the management of the land for agricultural purposes. Educational institutions that use the allotments for instruction or demonstration can also retain allotments.

For farms owned before January 1, 1983, whose owners must sell or lose allotments, the date for required sale or forfeiture has been extended by a year, from December 1, 1983, to December 1, 1984. Beginning with 1986 allotments and quotas, forfeiture will be required for any allotments and quotas established for a farm on which tobacco has not been planted or considered planted during at least 2 of the previous 3 years. Quota that is leased and transferred will be considered planted on the farm for which the quota was established. Consequently, allotment use in 1984 will have a direct bearing on forfeiture determinations beginning in 1986.

Effective for 1985 and 1986, lessees must not pay for the rental of a flue-cured tobacco quota until the tobacco produced under the lease is marketed. Also, sellers of allotments and quotas must give buyers an option to pay for the allotments and quotas in equal annual installments, payable each fall for a period of not more than 5 years from the year in which the sale was made.

### USDA Proposes Rule on Burley Tobacco Marketing Quota

On May 1, under provisions of the Dairy and Tobacco Adjustment Act of 1983, USDA proposed a rule that would change the criteria for the mandatory sale or forfeiture of burley marketing quotas. Under the proposal, USDA would drop the requirement that persons other than individuals must be significantly involved in the management or use of land for agricultural purposes to retain their quotas. Instead, the proposal provides that persons using land for agricultural purposes may retain their quotas, as can educational institutions using a burley quota for instruction or demonstration. The rule also extends by 1 year the date for any required sale or forfeiture of quota, from December 1, 1983, to December 1, 1984.

### Flue-Cured

#### April Leaf Stocks Decline

Stocks of flue-cured tobacco (types 11-14) on April 1 totaled 2.33 billion pounds, 60 million below a year earli-

**Table 7.—Flue-cured tobacco, types 11-14, and burley tobacco, type 31:  
Acreage, yields, production, carryover, supply, disappearance,  
season average price, and price support operations,  
1974-84 (farm-sales weight)**

Marketing Year <sup>1</sup>	Acreage Harvested	Yield per acre	Marketings <sup>2</sup>	Beginning stocks <sup>1</sup>			Total supply
				Manufacturers and others	Under loan	Total	
	<i>Thousand acres</i>	<i>Pounds</i>		<i>Million pounds</i>			
Flue-cured, types 11-14							
1974	616.3	2,014	1,245.1	1,330.6	276.7	1,607.3	2,852.4
1975	717.2	1,973	1,414.7	1,471.9	179.9	1,651.8	3,066.5
1976	666.6	1,974	1,316.0	<sup>3</sup> 1,539.1	359.2	<sup>3</sup> 1,898.3	3,214.3
1977	589.3	1,917	1,124.2	1,517.6	556.9	<sup>4</sup> 2,075.0	3,199.2
1978	602.1	2,046	1,205.9	1,517.9	534.0	<sup>4</sup> 2,051.9	3,257.8
1979	502.8	1,881	945.8	1,510.8	564.0	2,074.8	3,020.6
1980	555.1	1,957	1,086.1	1,411.0	554.4	1,965.4	3,051.5
1981	540.6	2,164	1,144.3	1,416.8	595.8	2,012.6	3,156.9
1982	473.3	2,126	993.8	1,626.4	518.7	2,145.1	3,138.9
1983	409.8	2,004	854.8	1,516.3	688.4	2,204.7	3,059.5
1984 <sup>5</sup>	394.6	2,100	828.7	1,394.5	755.0	2,149.5	2,978.2
Burley, type 31							
1974	260.7	2,350	610.4	931.5	139.2	1,070.7	1,681.1
1975	282.2	2,265	638.3	1,082.4	12.0	1,094.4	1,732.7
1976	285.8	2,376	663.8	<sup>3</sup> 1,115.3	44.8	<sup>3</sup> 1,160.1	1,823.7
1977	268.6	2,298	612.5	1,162.3	54.9	<sup>4</sup> 1,217.2	1,829.7
1978	261.4	2,396	617.6	1,087.0	113.5	<sup>4</sup> 1,218.4	1,836.0
1979	238.1	1,873	445.8	1,056.3	155.4	1,211.7	1,657.5
1980	276.6	2,027	557.5	959.5	66.3	1,025.8	1,583.3
1981	331.2	2,203	725.6	1,000.2	0	1,000.2	1,725.8
1982	345.3	2,380	776.7	1,120.2	.7	1,120.9	1,897.6
1983	292.6	1,645	526.7	1,092.6	226.1	1,318.7	1,845.4
1984 <sup>5</sup>	313.1	2,200	688.8	910.4	370.0	1,280.4	1,969.2
Disappearance				Average price	Price	Placed under loan	
				per pound	support level	Quantity	Percentage of crop
Total				Domestic	Exports		
Million pounds							
Cents							
Flue-cured, types 11-14							
1974	1,200.6	652.3	548.3	105.0	83.3	23.0	1.9
1975	1,193.1	670.6	522.5	99.8	93.2	259.0	18.4
1976	1,148.2	634.0	514.2	110.4	106.0	277.3	21.0
1977	1,147.3	608.2	539.1	117.6	113.8	195.6	17.3
1978	1,182.8	584.1	598.7	135.0	121.0	64.1	5.3
1979	1,083.2	563.2	520.0	140.0	129.3	72.0	7.4
1980	1,038.5	529.6	508.9	144.5	141.5	137.2	12.6
1981	1,011.7	488.8	522.9	166.4	158.7	105.9	9.3
1982	934.8	478.8	456.0	178.5	169.9	259.9	26.3
1983	<sup>6</sup> 910.0	<sup>6</sup> 465.0	<sup>6</sup> 445.0	177.9	169.9	<sup>7</sup> 194.8	<sup>7</sup> 22.9
1984					169.9		
Burley, type 31							
1974	586.7	518.8	67.9	113.7	85.8	2.8	.4
1975	602.5	510.1	92.4	105.5	96.1	50.7	7.9
1976	606.3	489.6	116.8	114.2	109.3	46.6	7.0
1977	611.3	494.8	116.5	120.0	117.3	57.0	9.2
1978	624.3	502.8	121.4	131.2	124.7	67.7	10.8
1979	631.8	498.5	133.3	145.2	133.3	7.3	1.5
1980	583.1	477.6	105.5	165.9	145.9	.0	.0
1981	604.9	463.9	141.0	180.7	163.6	.8	.1
1982	578.9	444.1	134.8	181.0	175.1	269.2	35.0
1983	<sup>6</sup> 565.0	<sup>6</sup> 435.0	<sup>6</sup> 130.0	177.3	175.1	<sup>8</sup> 255.6	<sup>8</sup> 48.7
1984					<sup>7</sup> 175.1		



er. Reflecting the declining pattern of domestic use, manufacturers' stocks accounted for the decline in holdings.

Total disappearance during July 1983-March 1984 was 730 million pounds, about 19 million lower than a year earlier. Both exports and domestic use were lower. U.S. cigarette production declined from a year ago, and use of imported tobacco for cigarettes likely increased.

### Exports May Fall This Season

For the marketing year ending June 30, U.S. flue-cured exports may decline from last season. For the 10 months through April, exports totaled 410 million pounds, about the same as a year earlier. Of the leading destinations for flue-cured tobacco, the United Kingdom and Spain took more, while West Germany and Japan took less. Other Asian countries, such as Thailand and Taiwan, hiked imports from the United States.

### Disappearance To Decline

Disappearance of flue-cured tobacco for 1983/84 is expected to be about 3 percent below the 935 million pounds used the previous year and 30 percent below the 1973/74 record. Use prospects are above last season's marketings, so the carryover will decline (table 7).

From July 1983 through April 1984, 66 million pounds of loan stocks were sold, compared with 50 million a year earlier. Two years earlier, 128 million pounds were sold. Unsold stocks on April 30 totaled 759 million pounds, compared with 641 million a year earlier. The record was 960 million in January 1965 (table 8).

In an attempt to sell loan stocks, the Flue-Cured Stabilization Cooperative in January reduced prices on its hold-

ings. The reduction ranged from 1 percent on the 1981 crop to about 32 percent on the 1976 crop. The selling price for the 1982 crop was adjusted downward about 2 percent. Furthermore, the first 75 million pounds purchased from the 1982 crop before June 30, 1984, will be discounted an additional 10 percent. So far, sales have been disappointing, fewer than 13 million pounds have been sold since the price reductions.

In a further attempt to boost sales of loan stock tobacco, the Flue-Cured Stabilization Cooperative announced in May a Purchasers' Incentive Program for 1984-crop flue-cured tobacco, offering credits toward purchases of 1982- and 1983-crop tobacco. Credit issued will be based on total trade purchases above 734 million pounds. A credit of 30 cents a pound, prorated among all purchasers, can be used for purchasing 1982- and 1983-crop loan stocks. The credit must be used by June 30, 1985.

### 1984 Flue-Cured Acreage To Drop Again

The 1984 effective poundage quota is 840 million pounds, down 5 percent from last year. This is the smallest effective quota since the acreage-poundage program was established, and it is 47 percent below the 1975 peak. Growers' planting intentions as of early February were to set a record-low 395,000 acres, 4 percent below last year.

In 1983, growers leased 37 percent of the poundage quota from allotment owners within their county. The proportion leased dropped for the first year since the beginning of lease and transfer in 1965, largely because of the 1983 requirement that the owner and grower both contribute 7 cents a pound to the no-net-cost fund. The requirement that quota owners contribute to the no-net-cost fund was rescinded in legislation signed in December 1983, so quota leasing may gain in 1984. However, the option of purchasing quotas is now permitted, so the proportion leased will likely remain below the 1982 level.

Assuming a normal growing season and considering the effective quota and intended acreage, the 1984 crop may total between 800 and 850 million pounds, with 830 million pounds most likely—such a crop would be the smallest since 1943. The combined production and carryover would make the 1984/85 supply about 3 percent lower than 1983/1984's 3.06 billion pounds. But this still represents about 3.2 years' supply, compared with a desired supply of about 2.6 years.

### 1984 Price Support Details

Flue-cured tobacco is under acreage-poundage marketing quotas, and price support is not provided if growers exceed their farm allotments. After 6 years, USDA has dropped the "four-leaf program," which allowed growers to plant additional acreage if they left the bottom four leaves in the field. A significant share of growers had participated in the program and many others cooperated on a voluntary basis. Because of the program, stabilization stocks of priming grades have been reduced to less burdensome levels. When the program began in 1978, lugs and primings accounted for about 40 percent of the Stabilization inventory.

Price support is available to growers through loans to producer associations. To be eligible for price support,

**Table 8.—Tobacco loan stocks, 1982-84  
(farm-sales weight)**

Type	End of May		
	1982	1983	1984 <sup>1</sup>
<i>Million pounds</i>			
Actual			
Flue-cured, 11-14	539.6	697.5	805.7
Burley, 31	.8	269.8	450.4
Virginia, 21	2.4	2.5	2.4
Kentucky-Tennessee, 22-23	13.4	8.1	4.4
Kentucky-Tennessee, 35-36	8.4	14.0	10.2
Ohio, 42-44	.2	.2	2.4
Puerto Rican, 46	6.9	5.8	5.9
Connecticut Valley, 51-52	2.2	2.9	3.8
Wisconsin, 54	.4	1.8	2.2
Wisconsin, 55	1.0	6.7	7.7
Total	575.3	1,009.3	1,295.1
Uncommitted			
Flue-cured, 11-14	441.9	635.5	<sup>2</sup> 757.5
Burley, 31	.6	269.8	<sup>2</sup> 374.6

<sup>1</sup>April 30. <sup>2</sup>June 1.

Compiled from records of Tobacco and Peanuts Division, Agricultural Stabilization and Conservation Service.

producers must contribute to a no-net-cost fund established and handled by the Flue-Cured Stabilization Corporation. The assessment is unchanged from 1983, 7 cents per pound of tobacco marketed in 1984.

The overall flue-cured price support level remains the same in 1984 as in 1982 and 1983. The Dairy and Tobacco Adjustment Act froze the price support at \$1.699 a pound for the 1984 crop. The 1984 loan rates for the various grades of flue-cured tobacco range from \$1.13 to \$2.21 a pound, reflecting the support level of \$1.699. Except for a decrease of 1 cent a pound in B4K, all grades remain the same. Again, no support applies to P5L, P5F, P5G, N1L, N1GL, N1XO, N1XL, and N1PO. The share of the crop accounting for these grades ranged from 2 to 5 percent during 1981-83. As in the past, no support will be offered on tobacco graded N2, NO-G, U, W, or scrap.

Nine new grades were added in 1984, but seven of them refer to mixed groups and are expected to be found largely in inspection and grading of imported tobacco. These mixed-group grades were among those deleted from the standard grades last year because they occur very infrequently in U.S. grown tobacco. Two new grades—B3KD and C3KM—have been added to describe color and quality combinations that have become more prevalent in the United States in recent years.

A provision of the 1983 legislation would allow USDA to reduce the support on less marketable grades if the Flue-Cured Stabilization Cooperative requested this. The reduction cannot exceed 12 percent of the support rate, nor can it represent more than 25 percent of estimated volume. Such reductions are not calculated in arriving at the overall required support. This provision was designed to reduce the incentive for farmers to produce high-volume, low-quality crops, but it will not be implemented for the 1984 crop.

## Growers Again Designate Warehouse Preferences

By the April 15 deadline, growers of flue-cured tobacco had designated 107 percent of their effective quota to the auction warehouses where they want to sell their 1984 crop. Growers are permitted to designate up to 110 percent of their effective quota. Since the procedure began in 1974, sales schedules and inspection services are provided at individual warehouses according to the quantity of tobacco designated (table 10).

After growers make warehouse designations at their local Agricultural Stabilization and Conservation Service offices, grower lists are prepared for each warehouse, and the information is sent to the Flue-Cured Tobacco Advisory Committee. In addition to recommending opening dates and sales schedules, the committee advises USDA on the geographic grouping of auction markets and the distribution of grades.

## Burley

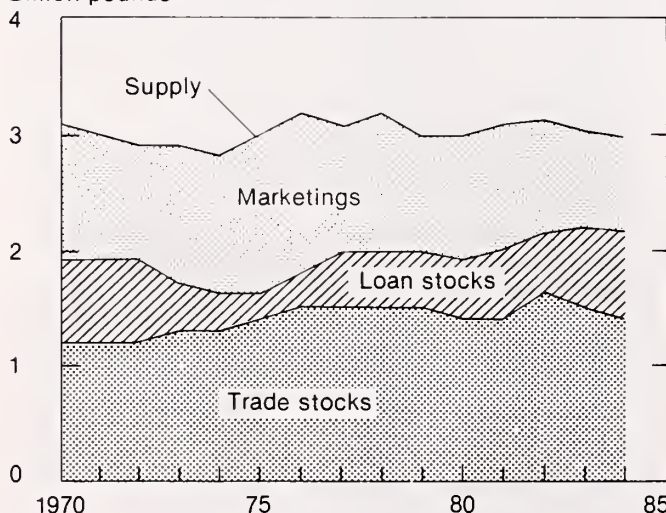
### Total Burley Use May Decline in 1983/84, but Stocks Will Drop

Exports rose while domestic burley use fell during October 1983-March 1984. The 6-month disappearance of 335 million pounds was 2 percent above a year earlier. Domestic use declined 25 million pounds to 259 million because cigarette output fell. For the entire 1983/84 marketing year, domestic use may fall about 2 percent.

Despite increased burley shipments during October-April, export prospects for the marketing year are below last year's 135 million pounds. For the first 7 months of the marketing year, burley shipments totaled 83 million pounds, about 2 percent above a year earlier. Although

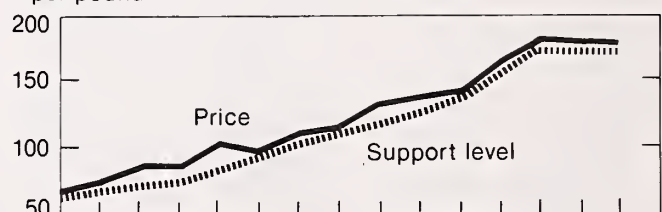
## Flue-Cured Tobacco: Supply, Price, Use

Billion pounds

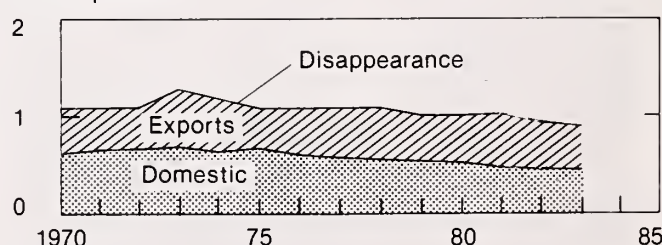


1983 subject to revision. Trade stocks include manufacturers' and dealers'. Crop year beginning July 1. 1984 forecast.

¢ per pound



Billion pounds





**Table 9.—Flue-cured and burley tobacco: Marketing quota and marketings, 1974-84**

Year	Quota		Marketings			Effective underquota <sup>1</sup>	Net carryover <sup>2</sup>
	Basic	Effective	Actual	Over-quota	Under-quota		
Million pounds							
Flue-cured, types 11-14							
1974	1,296.6	1,337.1	1,245.3	50.0	138.9	132.4	82.5
1975	1,491.4	1,572.3	1,414.6	50.9	203.2	192.3	141.0
1976	1,268.1	1,409.1	1,316.0	49.4	139.9	130.2	80.8
1977	1,116.5	1,197.3	1,124.2	42.6	115.2	106.9	64.3
1978	1,117.2	1,181.5	1,205.9	65.6	43.9	41.8	-26.4
1979	1,094.9	1,068.5	973.8	24.8	118.8	117.0	92.2
1980	1,094.4	1,186.5	1,086.1	36.0	137.9	135.1	99.1
1981	1,012.9	1,111.4	1,144.3	64.9	31.3	29.2	-35.6
1982	1,013.0	976.8	993.8	54.4	37.5	30.6	-23.8
1983 <sup>3</sup>	910.5	886.7	854.8	31.2	67.1	65.6	34.4
1984 <sup>4</sup>	804.5	839.9					
Burley, type 31							
1974	606.5	706.8	610.4	23.0	118.9	104.0	81.0
1975	669.5	750.4	639.9	21.8	127.5	113.4	91.6
1976	634.8	726.4	663.6	33.1	96.2	82.3	49.2
1977	636.2	683.4	612.6	27.2	99.0	80.8	53.6
1978	614.2	667.8	614.2	31.5	88.2	67.6	36.1
1979	614.2	647.8	472.2	12.2	188.6	168.8	155.2
1980	614.4	768.9	557.5	11.6	224.3	200.1	181.8
1981	660.1	841.9	725.6	25.2	143.0	129.4	104.1
1982	680.3	777.8	776.7	46.8	50.9	41.2	-3.5
1983 <sup>3</sup>	646.6	641.0	526.7	13.7	132.4	127.6	113.9
1984 <sup>4</sup>	581.8	697.0					

<sup>1</sup>Underquota marketings less ineligible carryover. <sup>2</sup>Effective underquota marketings less overquota marketings. <sup>3</sup>Subject to revision. <sup>4</sup>Preliminary.  
Compiled from records and reports of Price Support and Loan Division, Agricultural Stabilization and Conservation Service.

**Table 10.—Flue-cured tobacco: Effective farm quotas, designations, and marketings, 1982-84<sup>1</sup>**

Type and State or marketing area	Effective farm quotas		Initial designation <sup>3</sup>		Final designation		Marketings	
	1984 <sup>2</sup>	Change from 1983	1983	1984	1982	1983	1982	1983 <sup>4</sup>
	<i>Mil. lbs.</i>	<i>Percent</i>			<i>Million pounds</i>			
11-Virginia (E)	77	-5	90	93	100	95	87	76
11-North Carolina (D,E)	213	-2	188	188	218	197	232	197
Total 11	290	-3	281	281	318	292	318	273
12-North Carolina (C)	274	-3	296	316	371	311	341	277
13-North Carolina (B)	74	-9	93	89	103	96	85	77
13-South Carolina (B)	101	-10	112	101	128	114	123	112
Total 13	175	-10	205	190	231	210	208	189
14-Alabama	1	-11					1	1
14-Florida (A)	18	-5	17	19	22	20	21	17
14-Georgia (A)	83	-10	100	91	117	105	105	97
Total 14	101	-9	118	110	139	125	127	115
Grand total, flue-cured <sup>1</sup>	840	-5	899	898	1,058	940	994	855

<sup>1</sup>Data may not add to totals due to rounding. <sup>2</sup>Growers were allowed to designate 110 percent of their effective quotas. <sup>3</sup>Computed from unrounded data. <sup>4</sup>Includes 1982 carryover sold in 1983.

Compiled from reports from Tobacco Division, Agricultural Marketing Service; and Price Support and Loan Division, Agricultural Stabilization and Conservation Service.

West Germany and Switzerland took less, the EC took more. Other major destinations, such as Japan and Thailand, also took more. During the first 5 months of the marketing year, exports ran 69 percent ahead of a year earlier. Then, March shipments were 10 percent below a year earlier and April exports dropped 70 percent. Shipments for the remaining 5 months of the year are likely to average below a year earlier because of the lower quality of the 1983 crop. On an unstemmed-leaf basis, burley exports averaged \$2.43 a pound during October-April, up 8 cents from a year earlier.

The carryover at the beginning of 1983/84, at 1.32 billion pounds, was up 18 percent from a year earlier. By April 1, with the 1983 crop in storage, stocks totaled 1.51 billion pounds, 51 million below a year earlier. Loan holdings built further and stood at about 375 million pounds on June 1. With a 2-percent drop in total use for 1983/84, the carryover this fall may be about 2 percent below beginning stocks (table 7).

## 1984 Crop To Rise

For 1984, the effective burley poundage quota is 697 million pounds, about 9 percent more than in 1983. According to planting intentions in early February, farmers indicated plans to set about 10 percent more burley acreage than last year. Assuming yields near the 1974-83 average, production would total 25-35 percent more than last season's marketings. The indicated carryover plus the projected crop would push the 1984/85 supply about 125 million pounds above this year's 1.84 billion. Growers will be required to contribute 9 cents per pound to the no-net-cost account for all marketings in 1984/85, up from 5 cents in 1983/84.

## Southern Maryland

### Smaller Crop, but Sharply Lower Prices

The 1983 crop of Maryland tobacco (type 32)—about 10 percent smaller than in 1982—sold for an average of

**Table 11.—Burley tobacco: Farm marketings by State and across-state-line movement, 1983 crop<sup>1</sup>**

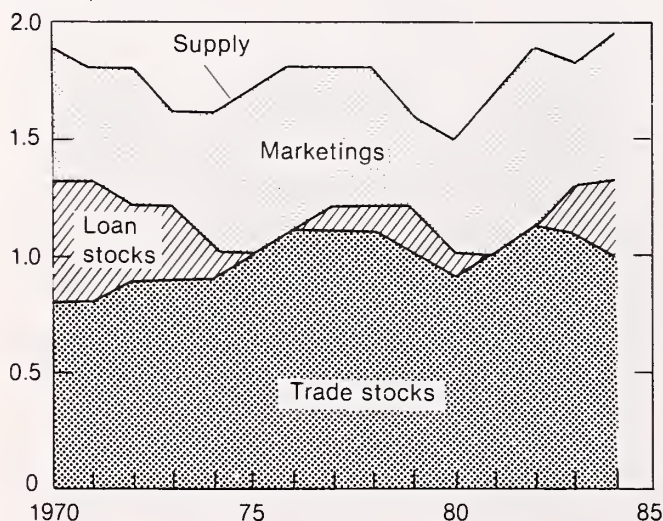
State	Total farm mar- ketings	Sold in								Total sold out of State
		Ind.	Ky.	Mo.	N.C.	Ohio	Tenn.	Va.	W. Va.	
Million pounds										
Indiana	13.7	7.9	5.8							5.8
Kentucky	337.3	2.5	330.2	(2)		0.2	4.1	(2)	0.3	7.1
Missouri	6.4		.1	6.3						.1
North Carolina	22.1				18.6		3.5	(2)		3.5
Ohio	16.9	(2)	6.4			9.6			.9	7.3
Tennessee	102.4		1.7		.8		95.3	4.7		7.1
Virginia	24.1		(2)		1.1		.9	22.1		2.0
West Virginia	3.6		.4		(2)	.1	(2)	.1	3.0	.6
Total <sup>3</sup>	526.7	10.4	344.6	6.3	20.5	9.9	103.8	26.9	4.2	33.7

<sup>1</sup>Preliminary. <sup>2</sup>Less than 50,000 pounds. <sup>3</sup>Includes 187,087 pounds produced in Alabama, Arkansas, Georgia, Kansas, and Illinois.

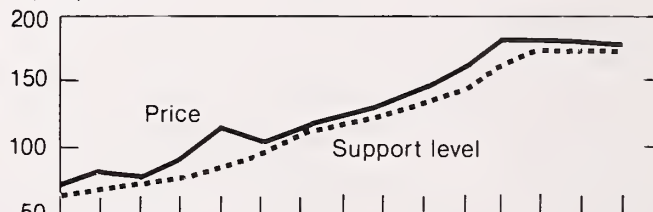
Compiled from records of Price Support and Loan Division, ASCS.

## Burley Tobacco: Supply, Price, Use

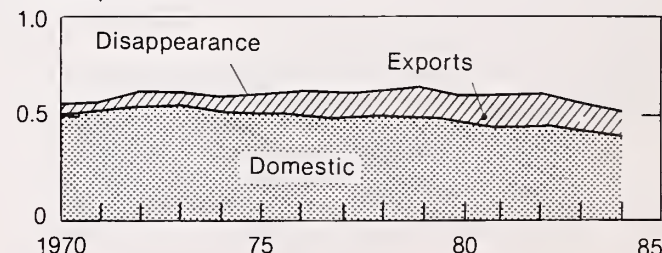
Billion pounds



¢ per pound



Billion pounds



1983 subject to revision. Trade stocks include manufacturers' and dealers'. Crop year beginning October 1. 1984 forecast.



**Table 12.—Southern Maryland tobacco, type 32: Acreage, yield, production, carryover, supply, disappearance, season average price, 1975-84 (farm-sales weight)**

Marketing Year <sup>1</sup>	Acreage harvested	Yield per acre	Supply			Disappearance		Average price per pound to growers	
			Production	Stocks following Jan. 1	Total	Total	Domestic		Exports
	<i>Thousand acres</i>	<i>Pounds</i>			<i>Million pounds</i>			<i>Cents</i>	
1975 <sup>2</sup>	23.0	955	22.0	53.6	75.6	35.7	26.0	9.7	107.5
1976 <sup>2</sup>	25.0	1,205	30.1	41.9	72.0	29.9	17.4	12.5	110.0
1977 <sup>2</sup>	25.0	1,230	30.8	45.3	76.1	29.0	19.6	9.4	115.1
1978 <sup>2</sup>	24.0	1,275	30.6	41.9	72.5	31.1	21.1	10.1	123.1
1979 <sup>2</sup>	19.5	1,130	22.0	41.3	63.4	33.6	23.6	10.0	139.7
1980 <sup>2</sup>	24.0	1,091	26.2	32.6	58.8	27.3	18.6	8.7	167.9
1981 <sup>2</sup>	36.2	1,281	46.4	37.0	83.4	36.0	27.9	8.1	157.3
1982 <sup>2</sup>	29.3	1,433	42.0	40.7	82.7	38.9	26.0	12.9	148.0
1983 <sup>2</sup>	31.3	1,210	37.9	<sup>3</sup> 40.1	78.0	<sup>4</sup> 32.0	<sup>4</sup> 23.0	<sup>4</sup> 9.0	110.1
1984 <sup>5</sup>	30.3	1,230	37.3	45.4	82.7				

<sup>1</sup>Year beginning October 1. <sup>2</sup>Includes sales and certification. <sup>3</sup>Adjusted to reflect calendar 1983 sales of tobacco produced in Pennsylvania. <sup>4</sup>Estimated. <sup>5</sup>Estimated carryover; projected crop.

\$1.10 a pound, 38 cents below a year earlier. Auction sales in Maryland began March 13 and ended April 26. Prices at Maryland markets averaged \$1.09 a pound, 47 cents below a year earlier and 66 cents below 1981. The lower quality of the 1983 crop, together with weaker export demand, caused the sharp drop in prices. Severe drought significantly reduced the quality of the crop grown in Maryland. In a referendum in February 1982, Maryland growers rejected USDA grading with the required fee, so service was again not provided.

Growers of Maryland-type tobacco have not approved marketing quotas since the 1965 crop, so this tobacco is not eligible for price support. The 1981 farm legislation provides prohibitive penalties for growing and marketing Maryland tobacco in quota areas. So, unlike 1981, little Maryland tobacco was produced in the flue-cured States of North Carolina, South Carolina, and Virginia this season. However, over 4,000 acres of Maryland tobacco were produced in the Pennsylvania seedleaf (type 41) area. Quotas are not applicable to Pennsylvania seedleaf tobacco.

#### **Smaller Use; Stocks To Build**

Maryland tobacco goes almost entirely into cigarettes. Domestic disappearance during the first half of 1983/84 was estimated at 15.6 million pounds, about 1.5 million below a year earlier. Exports plus domestic disappearance are forecast to fall below last season's 39 million pounds. With reduced use, the January 1, 1985, carryover will increase (table 12).

Based on planting intentions in early February and a return to normal yields, the 1984 crop may be a little smaller than last year's. If the prospective crop is achieved, the supply for 1984/85 would be about 6 percent larger than this season.

#### **Fire-Cured**

##### **Disappearance To Change Little**

The 1983 crop was smaller than the year before, and quality declined. Beginning stocks were larger this sea-

son than a year earlier, but the smaller crop reduced 1983/84 supplies. Prices averaged \$1.75 a pound, 23 cents higher than a year earlier. Country purchases (about 85 percent of the type 22-23 crop) averaged \$1.90 a pound, while auction sales averaged \$1.35 for all three fire-types. Growers placed 6 percent of the 1983 crop under loan, a lower share than in 1982. Most of the tobacco that was placed under loan was lower quality, mixed-color grades for which demand is slack.

The disappearance of fire-cured tobacco (types 21-23) during the first half of 1983/84 was 27 million pounds, about 1 million below last season. Exports were up a little, but domestic use declined. Production of snuff was up, but other products using fire-cured tobacco were less than 1982/83's output.

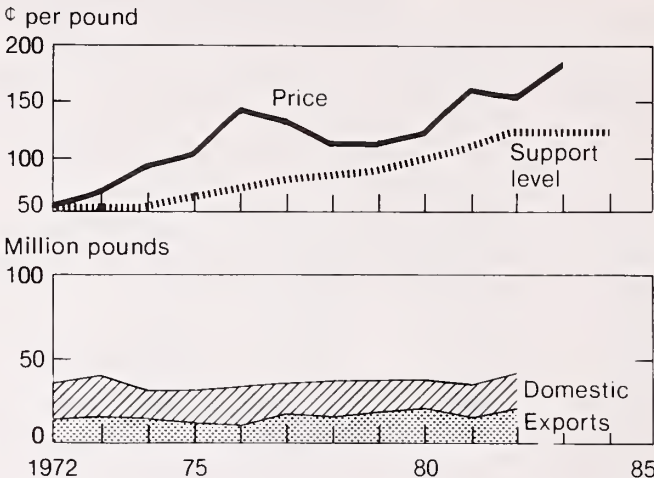
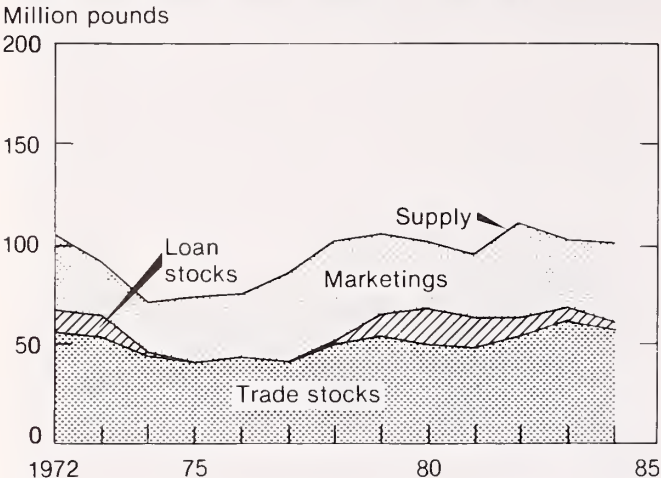
Because of last season's higher prices and this year's increased allotments, growers may expand acreage about 5 percent. Based on estimates derived from February planting intentions, an increase is expected in the Kentucky-Tennessee area, but a reduction is likely in Virginia. On the basis of indicated acreage and normal yields, growers will produce about 44 million pounds, about 20 percent more than in 1983. Even though prospects are for a smaller 1983/84 carryover, the supply for 1984/85 will likely be only slightly less than in 1983/84 because of the larger projected crop.

#### **Dark Air-Cured**

##### **Disappearance Up Somewhat**

Disappearance of dark air-cured and sun-cured tobaccos (types 35-37) during the first half of 1983/84 was 8.9 million pounds, up 1.5 million from a year earlier. Both exports and domestic use increased. The manufacture of plug chewing tobacco—a major domestic outlet for dark air-cured tobacco—was below a year earlier, but snuff production was up from a year ago. For the entire year, total use may be up a little, and the 1984/85 carryover will likely decline. Exports of Black Fat tobacco—a semiprocessed product consisting of dark air-cured and fire-cured leaf—totaled 1.97 million pounds during October 1983-March 1984, an increase of 1.7 million from

Fire-Cured-Types 22-23: Supply, Price, Use



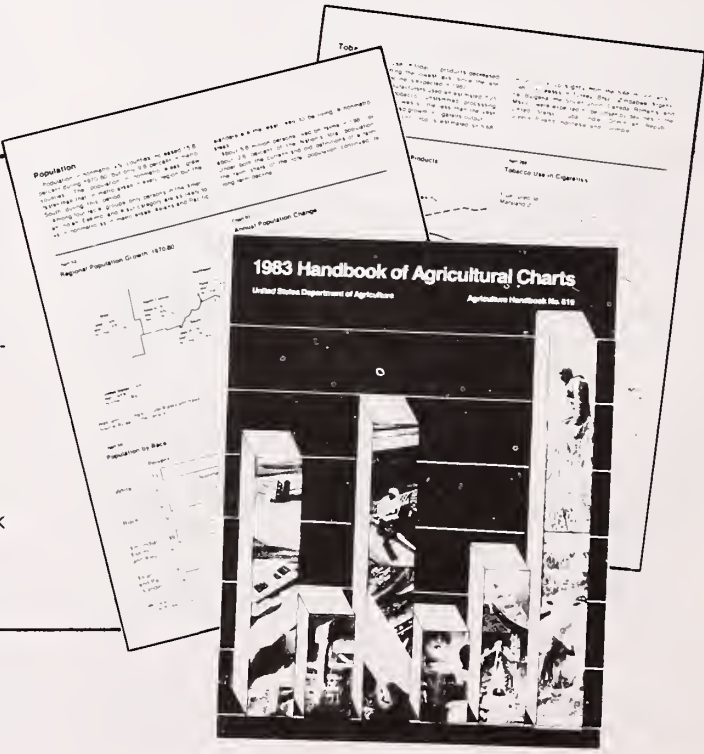
1984 estimated. Trade stocks include manufacturers' and dealers'. Crop year beginning October 1.

USDA

Neg. ERS 3108-84(6)

# The 1983 Handbook of Agricultural Charts

Economic and agricultural trends come alive in this two-color handbook, containing 278 charts depicting all significant aspects of agriculture. To order your copy, send your check for \$5.00 payable to Superintendent of Documents, and mail to Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Be sure to indicate complete title and stock number, AH-619. Order SN: 001-000-04377-3 from GPO. \$5.00.





**Table 13—Fire-cured tobacco, Kentucky-Tennessee types 22-23, and Virginia fire-cured type 21:  
Acreage, yield, production, carryover, supply, disappearance, season average price,  
and price support operations, 1975-84 (farm-sales weight)**

Mkt. Yr. begin. Oct. 1	Acre. harvested	Yield per acre	Prod.	Beginning stocks			
				Mfrs. & other	Under loan	Total	Total supply
	<i>Thousand acres</i>	<i>Pounds</i>				<i>Million pounds</i>	
Kentucky-Tennessee fire-cured, types 22-23							
1975	18.4	1,772	32.6	40.5	.1	40.7	73.3
1976	21.2	1,567	33.2	42.6	(1)	42.6	75.8
1977	25.6	1,767	45.2	41.2	(1)	41.2	86.4
1978	27.1	1,898	51.4	50.0	1.0	51.0	102.4
1979	22.1	1,791	39.6	54.0	11.1	65.1	104.7
1980	19.4	1,680	32.6	48.9	19.1	68.0	100.6
1981	20.6	1,578	32.4	48.4	14.7	63.1	95.5
1982	23.5	2,030	47.7	54.5	8.0	62.5	110.2
1983	21.5	1,511	32.5	62.3	6.4	68.7	101.2
1984 <sup>2</sup>	23.1	1,725	39.8			60.2	100.0
Virginia fire-cured, type 21							
1975	5.0	975	4.9	7.1	.3	7.3	12.2
1976	5.3	1,000	5.3	7.4	(1)	7.4	12.7
1977	7.2	1,000	7.2	7.0	(1)	6.7	13.9
1978	6.1	1,120	6.8	7.9	.8	8.7	15.5
1979	4.8	1,135	5.4	8.2	2.7	10.9	16.3
1980	3.9	935	3.6	6.0	3.3	9.3	12.9
1981	4.1	1,265	5.2	5.7	2.6	8.3	13.5
1982	4.8	1,150	5.5	6.7	2.3	9.0	14.5
1983	4.7	985	4.6	7.9	2.4	10.3	14.9
1984 <sup>2</sup>	4.3	1,075	4.6			9.4	14.0
Disappearance							
			Exports	Aver. price per lb.	Price support level	Placed under loan	
Total	Domestic					Quantity	% of crop
	<i>Million pounds</i>				<i>Cents</i>	<i>Million pounds</i>	<i>Percent</i>
Kentucky-Tennessee fire-cured, types 22-23							
1975	30.7	12.2	18.5	104.7	65.2	.1	.4
1976	34.6	11.2	23.4	142.4	74.1	(1)	—
1977	35.4	17.4	18.0	132.3	79.5	1.1	2.4
1978	37.3	15.1	22.2	112.5	84.6	11.3	22.2
1979	36.7	18.0	18.7	115.2	90.3	11.4	28.8
1980	37.5	19.7	17.8	121.9	98.9	2.1	6.4
1981	33.0	14.5	18.5	161.1	111.0	1.1	2.8
1982	41.5	20.9	20.6	156.0	123.0	4.4	9.2
1983	<sup>3</sup> 41.0	<sup>3</sup> 20.0	<sup>3</sup> 21.0	181.7	123.0	2.0	6.0
1984					<sup>4</sup> 123.0		
Virginia fire-cured, type 21							
1975	4.8	1.4	3.4	93.0	65.2	(1)	.9
1976	6.1	<sup>5</sup> 2.0	4.1	118.0	74.1	.1	1.5
1977	5.2	2.8	2.4	96.2	79.5	1.0	14.4
1978	4.6	1.0	3.6	94.5	84.6	1.8	26.2
1979	7.0	3.2	3.8	107.9	90.3	.9	16.3
1980	4.6	2.6	2.0	128.1	98.9	.3	7.2
1981	4.5	1.8	2.7	131.7	111.0	.3	5.9
1982	4.2	2.7	1.5	117.6	118.8	.4	8.1
1983	<sup>3</sup> 5.5	<sup>3</sup> 4.0	<sup>3</sup> 1.5	126.8	118.8	.4	8.6
1984					<sup>4</sup> 118.8		

<sup>1</sup>Less than 50,000 pounds. <sup>2</sup>Estimated projected crop. <sup>3</sup>Estimated. <sup>4</sup>Maximum. <sup>5</sup>Includes 400,000 pounds fire loss, December 1976.

a year earlier. Almost all Black Fat goes to West African destinations.

Compared with 1982/83, growers received 28.5 cents a pound more for a crop that was 6 million pounds smaller. Growers placed 8 percent under loan, considerably less than a year earlier. For 1983/84, disappearance is expected to rise, and the carryover into 1984/85 will decline.

This year, growers of dark air-cured and sun-cured tobacco may harvest around 9,600 acres, about 5 percent more than last year. With normal yields, the crop could reach 16.5 million pounds, about 2 million more than last season. Despite prospects for a larger crop, the supply for 1984/85 will likely decline because use may rise.

## **Cigar Tobacco**

### ***Production May Change Little in 1984/85***

Supplies of domestically grown cigar tobacco are down in 1983/84 because of reduced production, even though beginning stocks were higher. With indicated acreage about 2 percent lower, normal yields would result in production about 3 percent below 1983.

With near average yields and intentions for about the same acreage as in 1983, this year's filler production (U.S. and Puerto Rican) could increase about 2 percent from last year's 17.2 million pounds. Binder output may fall about 1 million pounds. Allotments for Connecticut Valley binder (types 51-52) do not apply this year because the price support program for Connecticut Valley binder was not approved in a referendum earlier this year.

USDA transferred filler and binder allotments (types 42-44 and 54-55) to growers who wanted to increase their 1984 plantings. Under terms of the annual reallocation, USDA transferred the allotments from growers who did not wish to use them this year. Therefore, 662 acres in Wisconsin, 767 in Ohio, and 41 in Minnesota were reallocated.

Acreage intentions for binder tobacco are down 7 percent in Wisconsin. With average yields, the acreage cutback would reduce Wisconsin binder production to about 15 million pounds—about 5 million below the average disappearance of recent years. Wisconsin binder goes into chewing tobacco.

Wrapper production may be down again in 1984. Acreage has declined sharply since 1980 because there has been a shift to homogenized leaf, which requires considerably less natural wrapper.

April 1 holdings of U.S. and Puerto Rican cigar tobacco (types 41-62) totaled 143 million pounds, about 5 percent less than a year earlier. Filler, wrapper, and binder types all declined. On April 1, U.S. stocks of foreign-grown cigar tobacco were 89 million pounds, about 1 percent above the previous year. During the first half of 1983/84, manufacturers used about 13 million pounds more imported cigar tobacco than they did a year earlier.

### ***Filler Use May Drop a Little***

Disappearance of cigar filler during the first half of 1983/84 was 400,000 pounds less than a year earlier. Supplies were lower, and prices were stronger. For 1983/84, disappearance may decline from the previous season. But, with lower supplies, the carryover will likely fall to 63 million pounds.

### ***Cigar Binder Use Down***

Cigar binder disappearance during October 1983-March 1984 was 12.4 million pounds, about 2-1/2 million below a year earlier. The disappearance of Wisconsin binder (types 54-55) during 1983/84 is expected to be below a year earlier, because loose leaf chewing production is down. Still, prices of Wisconsin tobacco were higher, and loan takings were down. The disappearance of Connecticut Valley binder tobacco will likely be above last season. Ending stocks will probably decline.

### ***Wrapper Use Declines***

The use of shade-grown wrapper tobacco is below last season, as manufacturers continue to shift to homogenized leaf. Production in 1984 may remain about the same as last year, but 1984/85 supplies will decline to about 4.4 million pounds, down from 10 million 3 years ago. The unit value of the wrapper crop declined to \$11 a pound this season, down from \$12.50 in 1982/83.

The disappearance of cigar wrapper during July 1983-March 1984 was 1.2 million pounds, about 1.1 million less than a year earlier. Exports rose, but domestic use fell sharply.

**Table 14.—Dark air-cured tobacco, types 35-36, and sun-cured tobacco type 37:  
Acreage, yield, production, carryover, supply, disappearance, season average  
price, and price support operations, 1975-84 (farm-sales weight)**

Marketing yr. begin. Oct. 1	Acre. har- vested	Yield per acre	Prod.	Beginning stocks			
				Mfrs. & other	Under loan	Total	Total supply
	<i>Thousand acres</i>	<i>Pounds</i>			<i>Million pounds</i>		
Dark air-cured, types 35-36							
1975	8.0	1,750	14.0	32.7	(1)	32.9	46.9
1976	9.3	1,660	15.1	28.2	—	28.2	43.3
1977	11.2	1,809	20.4	26.1	—	26.1	46.5
1978	11.2	1,969	22.2	30.4	(1)	30.4	52.6
1979	9.7	1,665	16.1	30.0	4.1	34.1	50.2
1980	9.3	1,745	16.2	28.6	5.6	34.2	50.4
1981	9.7	1,614	15.7	29.6	6.8	36.4	52.1
1982	10.2	1,951	19.9	29.8	8.1	37.9	57.8
1983	8.7	1,643	14.3	29.2	13.1	42.3	56.6
1984 <sup>2</sup>	9.1	1,750	15.9			39.1	55.0
Sun-cured, type 37							
1975	.7	930	.7	2.3	0	2.3	3.0
1976	.7	1,115	.8	2.1	0	2.1	2.9
1977	.8	1,030	.8	1.8	0	1.8	2.6
1978	.7	1,205	.9	1.8	0	1.8	2.7
1979	.5	1,055	.6	2.2	0	2.2	2.8
1980	.4	1,010	.4	2.0	0	2.0	2.4
1981	.5	1,320	.7	1.6	0	1.6	2.3
1982	.6	1,290	.7	1.6	0	1.6	2.3
1983	.5	780	.4	1.5	0	1.5	1.9
1984 <sup>2</sup>	.5	1,100	.6			1.3	1.9
Disappearance							
	Total	Domestic	Exports	Aver. price per pound	Price support level	Quantity	Percent of crop
	<i>Million pounds</i>					<i>Million pounds</i>	<i>Percent</i>
Dark air-cured, types 35-36							
1975	18.7	16.1	2.6	89.8	58.0	.1	.5
1976	17.2	15.1	2.1	116.6	65.9	(1)	—
1977	16.1	13.6	2.4	117.7	70.7	(1)	—
1978	18.4	15.7	2.7	99.1	75.2	4.3	19.7
1979	16.0	14.2	1.8	111.7	80.4	2.2	13.7
1980	14.0	12.0	2.0	126.5	88.0	1.4	8.6
1981	14.2	12.3	1.9	133.0	98.7	1.5	9.6
1982	15.5	14.7	.8	122.9	105.7	5.7	28.8
1983	<sup>3</sup> 17.5	<sup>3</sup> 15.0	<sup>3</sup> 2.5	151.3	105.7	1.2	8.6
Sun-cured, type 37							
1975	.9	.7	.2	85.5	58.9	0	—
1976	1.1	.9	.2	105.0	65.9	0	—
1977	.8	.6	.1	100.0	70.7	<sup>4</sup> 13	1.6
1978	.5	.3	.2	88.8	75.2	<sup>4</sup>	109
1979	.8	.6	.2	90.8	80.4	<sup>4</sup> 30	5.2
1980	.8	.7	.1	127.1	88.0	0	0
1981	.7	.6	.1	131.7	98.7	<sup>4</sup>	.7
1982	.8	.7	.1	106.4	109.4	<sup>4</sup> 69	9.4
1983	<sup>3</sup> .6	<sup>3</sup> .5	<sup>3</sup> .1	132.4	109.4	<sup>4</sup> 1	.3

<sup>1</sup>Less than 50,000 pounds. <sup>2</sup>Estimated, projected crop. <sup>3</sup>Estimated. <sup>4</sup>Quantity placed under loan in thousands of pounds.

**Table 15.—Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, 1975-84 (farm-sales weight)**

Crop Year <sup>1</sup>	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks <sup>1</sup>	Total supply	Total	Domestic	Exports	
	Thousand acres	Pounds			Million pounds				Cents
Pennsylvania seedleaf filler (type 41)									
1975	12.0	1,650	19.8	49.2	69.0	22.2	21.8	.4	58.0
1976	13.5	1,750	23.6	46.8	70.4	20.7	20.3	.4	60.0
1977	13.5	1,940	26.2	49.7	75.9	21.8	21.6	.2	60.0
1978	13.0	1,940	25.2	54.1	79.3	23.6	23.5	.1	62.0
1979	11.2	1,580	17.7	55.7	73.4	24.3	24.0	.3	72.0
1980	13.0	1,900	24.7	49.1	73.8	21.7	21.4	.3	87.0
1981	13.3	2,050	27.3	52.1	79.4	27.1	26.9	.2	80.0
1982	10.7	2,000	21.4	52.3	73.7	19.6	19.2	.4	73.0
1983	7.7	1,850	14.2	54.1	68.3	18.0	17.7	.3	83.0
1984 <sup>2</sup>	7.7	1,850	14.2	50.3	64.5				
Ohio, Miami, Valley filler (types 42-44)									
1975	2.1	1,620	3.4	5.9	9.3	3.6	3.6	—	60.0
1976	2.2	1,550	3.4	5.7	9.1	3.1	3.1	—	59.0
1977	1.8	2,025	3.6	6.0	9.6	2.6	2.6	—	62.0
1978	1.6	1,850	3.0	7.0	10.0	3.7	3.7	—	64.0
1979	1.3	1,500	2.0	6.3	8.3	4.5	4.5	—	87.0
1980	1.4	1,700	2.4	3.8	6.2	4.1	4.1	—	107.0
1981	1.7	1,440	2.5	4.0	6.5	2.1	2.1	—	105.0
1982	1.8	1,950	3.5	4.4	7.9	2.0	2.0	—	90.0
1983	1.4	1,370	1.9	5.9	7.8	2.2	2.2	—	75.0
1984 <sup>2</sup>	1.4	1,650	2.3	5.6	7.9				
Puerto Rico filler (type 46) <sup>3</sup>									
1975	2.7	1,500	4.3	6.1	10.4	3.2	3.2	—	50.7
1976	2.8	1,429	4.1	7.2	11.3	4.9	4.9	—	57.6
1977	2.6	1,480	3.9	6.4	10.3	3.9	3.9	—	60.2
1978	2.2	1,400	3.1	6.4	9.5	2.6	2.6	—	57.0
1979	2.0	1,000	2.0	6.9	8.9	.8	.8	—	69.1
1980	1.1	1,380	1.5	8.1	9.6	1.6	1.6	—	73.5
1981	.6	1,000	.6	8.0	8.6	1.3	1.3	—	86.0
1982	.3	1,000	.3	7.3	7.6	.8	.8	—	91.0
1983	.8	1,400	1.1	6.8	7.9	1.2	1.2	—	91.0
1984 <sup>2</sup>	.8	1,400	1.1	6.7	7.8				
Total cigar filler (types 41-46)									
1975	16.8	1,687	27.5	61.2	88.5	28.8	28.4	.4	56.2
1976	18.5	1,681	33.1	59.7	90.2	28.1	27.7	.4	59.4
1977	17.9	1,883	33.7	62.1	95.8	28.3	27.0	.3	60.2
1978	16.8	1,863	31.3	67.5	98.8	29.9	29.8	.1	61.5
1979	14.5	1,475	21.7	68.9	90.6	29.6	29.3	.3	73.1
1980	15.5	1,845	28.6	61.0	89.6	27.5	27.0	.5	87.5
1981	15.6	1,949	30.4	64.1	94.5	30.5	30.3	.2	82.1
1982	12.8	1,969	25.2	64.0	89.2	22.4	22.0	.4	75.6
1983	10.0	1,720	17.2	66.8	84.0	21.4	21.1	.3	82.4
1984 <sup>2</sup>	9.9	1,778	17.6	62.6	80.2				
Connecticut Valley binder (types 51-52)									
1975	1.5	1,582	2.4	6.2	8.6	4.3	4.1	.2	92.7
1976	1.5	1,605	2.4	4.3	6.7	2.4	2.3	.1	89.6
1977	1.4	1,784	2.5	4.3	6.8	1.9	1.9	*	121.3
1978	1.5	1,734	2.6	4.9	7.5	2.1	2.0	.1	144.9
1979	1.5	1,637	2.4	5.5	7.9	2.2	2.0	.2	161.5
1980	1.5	1,750	2.6	5.7	8.3	2.2	2.0	.2	178.8
1981	1.7	1,998	3.5	6.1	9.6	2.5	2.4	.1	182.1
1982	2.1	1,685	3.5	7.1	10.6	3.3	3.1	.2	180.9
1983	1.4	1,843	2.6	7.3	9.9	3.5	3.3	.2	155.9
1984 <sup>2</sup>	1.5	1,750	2.6	6.4	9.0				
Southern Wisconsin binder (type 54)									
1975	5.6	1,945	10.9	19.8	30.7	7.5	7.5	—	75.1
1976	5.6	1,890	10.6	23.2	33.8	10.0	10.0	—	74.7
1977	6.2	2,020	12.5	23.8	36.3	10.2	10.2	—	84.6
1978	6.2	1,800	11.2	26.0	37.2	11.4	11.4	—	100.5
1979	6.3	2,080	13.1	25.8	38.9	—	—	—	117.0
1980	6.3	2,110	13.3	(4)	—	—	—	—	125.0
1981	6.4	2,150	13.8	(4)	—	—	—	—	113.0
1982	5.1	2,110	10.8	(4)	—	—	—	—	106.0
1983	4.1	1,970	8.1	(4)	—	—	—	—	110.0
1984 <sup>2</sup>	3.8	2,000	7.6	(4)					

See footnotes at end of table.



**Table 15.—Cigar tobacco, types 41-62: Domestic supplies, disappearance, and season average prices, 1975-84 (farm-sales weight), Continued**

Crop year <sup>1</sup>	Acreage harvested	Yield per acre	Supply			Disappearance			Average price per pound to growers
			Production	Beginning stocks <sup>1</sup>	Total supply	Total	Domestic	Exports	
	Thousand acres	Pounds			Million pounds				Cents
Northern Wisconsin binder (type 55)									
1975	5.4	1,835	9.9	15.8	25.7	9.7	9.6	.1	75.1
1976	5.5	1,750	9.6	16.0	25.6	9.4	9.4	*	75.2
1977	5.8	2,045	11.9	16.2	28.1	9.1	9.1	.1	85.5
1978	5.9	1,550	9.1	19.1	28.2	8.9	8.9	.1	100.5
1979	6.6	1,810	11.9	19.3	31.2	—	—	*	117.0
1980	6.6	1,920	12.7	(4)	—	—	—	—	125.0
1981	7.3	1,725	12.6	(4)	—	—	—	—	108.0
1982	5.0	1,875	9.4	(4)	—	—	—	—	101.0
1983	4.3	1,870	8.0	(4)	—	—	—	—	109.0
1984 <sup>2</sup>	4.0	1,825	7.3	(4)	—	—	—	—	
Total Wisconsin binder (types 54-55)									
1975	11.0	1,891	20.8	35.6	56.4	17.2	17.1	.1	75.1
1976	11.1	1,821	20.2	39.2	59.4	19.4	19.4	*	75.2
1977	12.0	2,032	24.4	40.0	64.4	19.3	19.3	.1	85.0
1978	12.1	1,678	20.3	45.1	65.4	20.1	20.1	*	100.5
1979	12.9	1,942	25.0	45.3	70.3	21.4	21.4	*	117.0
1980	12.9	2,013	26.0	48.9	74.9	21.3	21.3	*	125.0
1981	13.7	1,924	26.4	53.6	80.0	20.0	20.0	*	110.6
1982	10.1	1,994	20.1	60.0	80.1	19.8	19.8	*	103.7
1983	8.4	1,919	16.1	60.3	76.4	17.0	17.0		109.5
1984 <sup>2</sup>	7.8	1,910	14.9	57.4	72.3				
Total Cigar binder (types 51-55)									
1975	12.5	1,851	23.2	41.8	65.0	21.5	21.2	.3	76.9
1976	12.6	1,795	22.6	43.5	66.1	21.8	21.6	.2	76.5
1977	13.4	2,007	26.8	44.3	71.1	21.1	21.1	.1	88.4
1978	13.6	1,684	22.9	50.0	72.9	22.2	22.2	.1	105.6
1979	14.4	1,911	27.5	50.8	78.3	23.6	23.4	.2	120.9
1980	14.4	1,985	28.6	54.6	83.2	23.5	23.3	.2	129.9
1981	15.4	1,932	29.8	59.7	89.5	22.5	22.4	.1	118.9
1982	12.2	1,941	23.7	67.1	90.8	23.1	22.9	.2	115.2
1983	9.8	1,908	18.7	67.6	86.4	20.5	20.3	.2	115.8
1984 <sup>2</sup>	9.3	1,882	17.5	63.8	81.3				
Connecticut Valley shade-grown (type 61)									
1975	4.4	1,371	6.0	9.5	15.5	8.0	4.2	3.8	640.0
1976	4.2	1,555	6.6	7.5	14.1	5.2	1.8	3.4	540.0
1977	3.3	1,544	5.1	8.9	14.0	4.7	.5	4.2	600.0
1978	2.7	1,392	3.8	9.3	13.1	5.0	.1	4.9	750.0
1979	2.7	1,472	4.0	8.1	12.1	5.4	.5	4.9	850.0
1980	3.0	1,513	4.5	6.8	11.3	5.9	2.3	3.6	980.0
1981	2.6	1,592	4.1	5.3	9.4	4.5	2.9	1.6	1000.0
1982	1.1	1,421	1.6	4.9	6.5	3.2	2.2	1.0	1250.0
1983	1.0	1,706	1.7	3.3	5.0	2.2	.8	1.4	1100.0
1984 <sup>2</sup>	1.0	1,525	1.5	2.8	4.3				
Total shade-grown (types 61-62) <sup>5</sup>									
1975	5.5	1,409	7.7	15.7	23.4	9.8	5.6	4.2	585.7
1976	4.6	1,565	7.2	13.6	20.8	7.7	3.8	3.8	528.2
1977	3.4	1,547	5.3	13.1	18.4	5.8	1.0	4.8	591.4
1978	2.7	1,392	3.8	12.7	16.5	6.3	1.0	5.3	750.0
1979	2.7	1,472	4.0	10.2	14.2	6.5	1.1	5.4	850.0
1980	3.0	1,513	4.5	7.8	12.3	6.1	2.2	3.9	980.0
1981	2.6	1,592	4.1	6.2	10.2	5.0	3.4	1.6	1000.0
1982	1.1	1,421	1.6	5.2	6.8	3.4	2.4	1.0	1250.0
1983	.9	1,706	1.7	3.4	5.1	2.3	.8	1.5	1100.0
1984 <sup>2</sup>	1.0	1,525	1.5	2.8	4.3				
Grand total cigar tobacco (types 41-62)									
1975	34.8	1,678	58.4	118.6	177.1	60.3	55.4	4.9	135.1
1976	35.7	1,709	61.0	116.8	177.7	58.2	53.7	4.4	121.4
1977	34.7	1,900	65.9	119.5	185.4	55.2	50.0	5.2	114.9
1978	33.1	1,752	58.0	130.1	188.2	58.6	53.2	5.5	122.1
1979	31.6	1,684	53.2	129.9	183.1	59.7	53.8	5.9	156.4
1980	32.9	1,875	61.7	123.4	185.1	57.1	52.5	4.6	175.3
1981	33.6	1,914	64.3	130.0	194.3	58.0	56.1	1.9	158.3
1982	26.1	1,933	50.5	136.3	186.8	48.9	47.3	1.6	131.2
1983	20.7	1,816	37.6	137.8	175.4	44.8	42.8	2.0	145.7
1984 <sup>2</sup>	20.2	1,812	36.6	129.2	165.8				

<sup>1</sup>October 1 for types 41-55; July 1 for types 61-62. <sup>2</sup>Estimates of February planting intentions based on intentions for types and classes of tobacco other than burley and flue-cured. <sup>3</sup>Puerto Rican planting occurs late in calendar year. Price per pound excludes payment by Puerto Rican Government. <sup>4</sup>Not available. <sup>5</sup>Includes Georgia-Florida shade-grown, type 62, which has not been grown since 1978. July 1, 1983, stocks were 0.1 million pounds. See TS-176 for annual supply and disappearance. \*Less than 50,000 pounds.

**Table 16.—Cash receipts from tobacco as percentage of cash receipts from crops and all farm commodities, by State, 1980-83**

State	1980		1981		1982 <sup>1</sup>		1983 <sup>1</sup>	
	Tobacco	Percentage of total receipts	Tobacco	Percentage of total receipts	Tobacco	Percentage of total receipts	Tobacco	Percentage of total receipts
	<i>Million</i>	<i>Percent</i>	<i>Million</i>	<i>Percent</i>	<i>Million</i>	<i>Percent</i>	<i>Million</i>	<i>Percent</i>
North Carolina	1,113	30.2	1,296	31.1	1,233	30.3	1,020	27.4
Kentucky	675	30.2	766	27.1	923	31.6	793	28.3
South Carolina	175	17.3	240	21.3	219	19.2	195	17.8
Virginia	159	12.0	243	14.9	218	13.0	186	12.9
Tennessee	184	10.1	252	12.6	280	13.8	239	12.4
Georgia	153	5.4	191	5.8	189	5.7	164	5.0
Florida	30	.8	41	1.0	36	.9	28	0.6
Maryland	30	3.5	43	4.1	58	5.6	57	5.5
Connecticut	27	10.1	35	11.0	33	10.2	22	6.9
Wisconsin	29	.6	30	.6	29	.6	21	.4
Ohio	29	.8	29	.9	43	1.2	40	1.1
Indiana	27	.6	31	.7	25	.6	23	.6
Massachusetts	11	4.0	15	5.0	5	1.2	4	1.0
Pennsylvania	16	.6	19	.7	22	.7	20	.7
Missouri	9	.2	11	.3	12	.3	8	.2
West Virginia	3	1.5	6	2.6	6	2.5	9	3.9
United States <sup>2</sup>	2,672	1.9	3,250	2.3	3,333	2.3	2,831	2.0

<sup>1</sup>Subject to revision. <sup>2</sup>U.S. total receipts from tobacco include relatively small receipts for a few States not shown separately.

**Table 17.—Tobacco manufacturing corporations: Net sales, net income, and profit ratios, 1974-83**

Period	Net income			Profit			
	Net sales	Before income taxes	After income taxes	Per dollar of sales		Percentage of stockholders equity (annual basis)	
				Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
	<i>Million dollars</i>			<i>Cents</i>		<i>Percent</i>	
1974	14,267	1,354	770	9.5	5.4	<sup>1</sup> 26.4	<sup>1</sup> 15.0
1974 <sup>2</sup>	8,933	1,053	801	11.8	9.0	<sup>1</sup> 26.4	<sup>2</sup> 20.0
1975	9,987	1,396	919	14.0	9.2	26.6	16.6
1976	11,964	1,638	1,011	14.3	7.8	28.8	15.9
1977	13,696	1,938	1,239	14.2	9.1	32.0	17.5
1978	15,493	2,591	1,461	16.7	9.4	32.4	18.3
1979	<sup>3</sup> 15,331	2,740	1,752	17.9	11.4	30.9	19.2
1980	<sup>3</sup> 17,471	3,027	2,044	17.3	11.7	31.0	19.8
1981	<sup>3</sup> 20,228	3,560	2,221	17.6	11.0	30.8	19.2
1982	<sup>3</sup> 20,126	3,558	2,354	18.6	11.8	31.4	19.8
1983	<sup>3</sup> 21,185	3,440	2,589	16.2	12.2	29.8	18.5
Quarterly 1983							
1	5,052	701	550	13.9	10.9	26.0	16.4
2	5,617	873	647	15.5	11.5	31.3	18.8
3	5,271	981	727	18.6	13.8	33.2	20.5
4	5,245	885	665	16.9	12.7	28.5	18.4

<sup>1</sup>Estimated on the basis of an equity increase of 8 percent. <sup>2</sup>Industry classification changed and foreign subsidiary results omitted beginning with 1974. For 1974, the new series reduced net sales 37 percent and profits before taxes 22 percent. Profits after taxes increased 4 percent. <sup>3</sup>Excludes excise taxes.

Note: Includes non-tobacco enterprises of tobacco manufacturing corporations. Compiled from the Quarterly Financial Reports for Manufacturing Corporations. Federal Trade Commission—Securities and Exchange Commission.

**Table 18.—U.S. exports of unmanufactured tobacco by types, to principal importing countries, crop years 1982/83-1983/84<sup>1</sup>**

**(Declared weight)**

Importing country	Part year through April			Importing country	Part year through April		
	1982/83	1982/83	1983/84		1982/83	1982/83	1983/84 <sup>2</sup>
<i>Million pounds</i>				<i>Thousand pounds</i>			
Flue-cured, types 11-14				Va. fire & sun-cured, types 21 & 37			
United Kingdom	21.1	19.4	22.9	Switzerland	0	0	0
West Germany	39.4	34.7	27.3	Norway	400	152	652
Japan	66.0	66.0	64.4	Sweden	337	337	300
Netherlands	8.9	6.9	8.8	West Germany	213	196	40
Thailand	6.7	6.7	9.8	Other countries	343	304	314
Australia	7.9	7.3	6.9	Total	1,294	990	1306
Italy	18.8	18.8	14.9	One Sucker, type 35			
Sweden	4.4	4.4	5.3	Bahamas	0	0	0
Norway	3.2	2.7	3.2	Zaire	0	0	0
Finland	4.2	3.8	4.4	Other countries	94	83	7
Denmark	9.5	8.5	7.8	Total	94	83	7
Ireland	1.5	1.3	1.7	Green River, type 36			
Belgium-Luxembourg	10.2	9.0	3.9	United Kingdom	42	42	6
Switzerland	10.4	9.5	3.3	Benin (Dahomey)	0	0	0
Republic of Korea	0	0	0	Zaire	0	0	0
Philippines	7.0	6.0	2.5	Other countries	28	22	3
Spain	27.8	22.3	32.6	Total	70	64	9
Malaysia	7.2	6.6	5.4	Cigar filler, types 41-44			
Taiwan	17.0	17.0	22.2	Canada	0	0	0
Egypt	5.4	2.5	11.5	France	64	37	0
Other countries	44.4	35.2	30.2	Other countries	261	115	147
Total	320.9	288.6	289.2	Total	325	152	147
Burley, type 31				Binder, types 51-55			
Italy	14.9	8.3	11.7	Dominican Republic	57	57	0
Sweden	3.1	1.4	3.5	Switzerland	0	0	0
Denmark	3.0	1.4	1.1	Canada	76	53	78
Netherlands	1.2	.2	.4	Other countries	32	7	32
Japan	18.4	18.4	18.6	Total	165	117	110
West Germany	14.3	7.6	5.5	Cigar wrapper, types 61-62			
Switzerland	9.2	4.9	2.9	United Kingdom	0	0	0
United Kingdom	.2	.1	.1	West Germany	11	11	60
Thailand	2.5	2.5	4.7	Canada	42	40	14
Philippines	7.0	2.9	.5	Dominican Republic	328	328	720
Other countries	16.6	7.0	6.5	Netherlands	366	304	435
Total	90.0	54.2	55.6	Other countries	123	124	86
Maryland, type 32				Total	880	807	1315
Belgium-Luxembourg	.7	.5	.1	Black Fat			
West Germany	1.8	.3	.3	Benin (Dahomey)	771	267	810
Switzerland	5.4	2.3	.5	Cameroon	50	0	0
Other countries	2.0	.6	1.2	Niger	0	0	304
Total	9.8	3.7	1.8	Nigeria	0	0	518
Ky.-Tenn. fire cured, types 22-2				Togo	0	0	203
Sweden	.6	.6	.7	Other countries	148	53	645
Netherlands	11.8	7.8	9.8	Total	969	320	2,480
Belgium-Luxembourg	.6	.4	0				
France	1.3	1.3	.6				
Switzerland	.3	.3	.5				
Other countries	3.6	3.0	1.2				
Total	18.6	13.4	12.9				
Stems, trimmings, and scrap <sup>2</sup>							
Sweden	1.9	1.9	2.6				
Denmark	5.9	3.6	2.2				
United Kingdom	6.9	5.5	3.1				
West Germany	9.7	6.0	5.5				
Japan	27.4	27.4	16.9				
Other countries	27.2	15.1	18.8				
Total	79.1	59.5	49.2				

<sup>1</sup>July-June crop year for flue-cured and cigar wrapper; October-September crop year for all other types. <sup>2</sup>Subject to revision.

Detail may not add to total because of rounding. Compiled from publications and records of the Bureau of the Census.



**Table 19.—Imported foreign-grown cigarette leaf stocks, by quarters, 1975-84<sup>1</sup>**

Year	Jan. 1	April 1	July 1	Oct. 1	Jan. 1	April 1	July 1	Oct. 1
<i>Million pounds</i>								
Foreign-grown flue-cured				Foreign-grown oriental and aromatic				
1975	53	49	70	70	377	412	415	380
1976	74	73	72	101	361	431	416	405
1977	100	102	109	117	397	365	362	347
1978	117	120	130	132	344	364	345	295
1979	132	133	147	157	326	359	366	350
1980	153	148	166	166	343	342	367	336
1981	152	140	161	167	316	332	324	320
1982	152	141	200	222	337	395	403	367
1983	207	207	213	237	366	408	422	377
1984	236	227			422	401		
Foreign-grown burley				Total imported cigarette leaf				
1975	118	107	145	136	548	567	623	587
1976	134	124	132	141	568	628	619	646
1977	139	132	127	138	637	599	598	602
1978	140	136	150	174	601	619	625	601
1979	172	163	171	188	630	655	684	696
1980	187	192	213	216	683	683	746	719
1981	208	211	244	265	676	684	729	752
1982	272	263	271	290	760	799	874	879
1983	282	286	271	271	856	902	906	885
1984	275	267			875	894		

<sup>1</sup>Farm sales weight.**Table 20.—Tobacco: U.S. Department of Agriculture price support loan and program operations and other expenditures, 1981-83**

Item	Year ending September 30		
	1981	1982	1983 <sup>1</sup>
<i>Million dollars</i>			
Price support loan operations			
New loans made	215.2	433.0	1,027.8
Repayments	266.3	329.6	148.0
Charged off	0	1.1	7.6
Net additions	-51.1	102.3	872.2
Loans outstanding:			
Value	763.8	865.8	1,738.0
Quantity (mil. lbs.)	565	629.6	981.2
CCC program operations			
Public Law 480 sales:			
Dollar credit	0	0	0
Export credit sales	0	0	4.6
Net realized loss <sup>2</sup>	0	1.1	<sup>4</sup> 11.9
Subtotal, net CCC costs	0	1.1	<sup>4</sup> 11.9
Other expenditures			
Crop insurance, net	29.2	8.9	11.4
Administration of quota program	13.1	13.3	12.3
Inspection, grading	7.8	<sup>3</sup> .1	<sup>3</sup> .1
Market news	.5	.6	.5
Research and extension:			
Production and marketing	3.1	3.4	3.2
Health related	4.8	5.0	5.1
Miscellaneous	.3	.3	.3
Subtotal, other	58.8	31.6	32.9
Net USDA costs	58.8	32.7	44.8

<sup>1</sup>Subject to revision. <sup>2</sup>From price support and related programs. <sup>3</sup>User fees for tobacco grading initiated. <sup>4</sup>Includes adjustment for a prior years activity.

Compiled from Commodity Credit Corporation, Report of Financial Conditions and Operations, annual issues, 1981-83, CCC Estimates, ASCS Financial Management Division, and records of Office of Budget, Planning and Evaluation.

**Table 21.—Marketing quota referendums, by kinds of tobacco**

Kind (type numbers in parentheses) and basis of quotas <sup>1</sup>	Last referendum			Next referendum		
	Date	Crops to which applicable	Number voting	Percentage voting in favor of quota <sup>2</sup>	Probable date <sup>3</sup>	Crops to which applicable
Flue-cured (11-14)						
Acreage-poundage	Dec. 16, 1982	1983-85	112,314	93.7	Dec. 1985	1986-88
Burley (31)						
Poundage	Feb. 28-March 3, 1983	1983-85	221,268	97.0	Feb. 1986	1986-88
Maryland (32)	Feb. 28-March 3, 1983	1983-85	2,091	7.4	Feb. 1986 <sup>4</sup>	1986-88
Fire-cured (21-23)						
Acreage	Feb. 22-26, 1982	1982-84	10,041	94.9	Feb. 1985	1985-87
Poundage	Feb. 28-March 3, 1983	1983-85	10,457	18.8	Feb. 1986 <sup>5</sup>	1986-88
Dark air-cured (35-36)						
Acreage	Feb. 22-26, 1982	1982-84	10,146	94.9	Feb. 1985	1985-87
Poundage	Feb. 28-March 3, 1983	1983-85	12,253	38.6	Feb. 1986 <sup>5</sup>	1986-88
Va. sun-cured (37)	Feb. 28-March 3, 1983	1983-85	310	91.6	Feb. 1986	1986-88
Pa. filler (41)	Feb. 28-March 3, 1983	1983-85	955	17.5	Feb. 1986 <sup>4</sup>	1986-88
Cigar binder (51-52)	Feb. 27-March 1, 1984	1984-86	101	53.7	Feb. 1987	1987-89
Cigar filler and binder (42-44, 53-55)	Feb. 27-March 1, 1984	1984-86	3,393	82.4	Feb. 1987	1987-89

<sup>1</sup>Quota based on acreage allotments unless otherwise specified. <sup>2</sup>A majority of two-thirds or more of farmers voting is required for marketing quotas to become effective under the acreage allotment program or acreage-poundage program. <sup>3</sup>Probable month, but referendums can occur earlier if warranted by pertinent considerations. <sup>4</sup>Unless at least a fourth of the growers petition the Secretary of Agriculture in the interim. <sup>5</sup>If Secretary of Agriculture determines producers and other interested persons favor poundage quotas.

## LIST OF TABLES

	Page
1. U.S. cigarette exports to leading destinations, 1982-84 .....	2
2. Cigarettes: U.S. output, removals, and consumption, 1975-84 .....	2
3. Cigars and smoking tobacco: Output, removals, and consumption, 1981-84 .....	4
4. Tobacco products: Output, 1982-84 .....	4
5. U.S. tobacco exports by types and countries, 1979-84 .....	5
6. U.S. imports of unmanufactured tobacco for consumption and general, 1983-84 .....	7
7. Flue-cured and burley tobacco: U.S. supplies, disappearance, and prices, 1974-84 .....	10
8. Tobacco loan stocks, 1982-84 .....	11
9. Flue-cured and burley: Marketing quota and marketings, 1974-84 .....	13
10. Flue-cured tobacco: Effective farm quotas, designations, and marketings, 1982-84 .....	13
11. Burley tobacco: Farm marketings by State and across-state-line movement, 1983 crop .....	14
12. Maryland tobacco: U.S. supplies, disappearance, and price, 1975-84 .....	15
13. Fire-cured tobacco: U.S. supplies, disappearance, and price, 1975-84 .....	17
14. Dark air-cured tobacco: U.S. supplies, disappearance, and price, 1975-84 .....	19
15. Cigar tobacco: Supplies, disappearance, and price, 1975-84 .....	20
16. Cash receipts from tobacco, by States, 1980-83 .....	22
17. Tobacco manufacturing corporations: Net sales, net income, and profit ratios, 1974-83 .....	22
18. Unmanufactured tobacco exports by types, to principal destinations, crop years .....	23
19. Imported foreign-grown cigarette leaf stocks, by quarters, 1975-84 .....	24
20. Tobacco: U.S. Department of Agriculture price support loan and program operations and other expenditures, 1981-83 .....	24
21. Marketing quota referendums, by kinds of tobacco .....	25
22. Counties in the burley tobacco study area .....	26
23. Burley tobacco: Production costs per acre and per 100 pounds, 1982-84 .....	27

# Costs of Producing Burley Tobacco: 1982 and 1983 and Projected 1984

Verner N. Grise

Agricultural Economist  
National Economics Division  
Economic Research Service

**Abstract:** Sharply lower yields boosted the cost per pound of producing and selling burley tobacco about a third in 1983. However, total costs per acre declined by 12 percent, primarily reflecting reduced labor requirements. Assuming yields return to more normal levels in 1984, costs per pound are projected to decline nearly a fifth. However, the cost decline will be dampened by hikes in the no-net-cost assessment and some other input items.

**Keywords:** Burley tobacco, variable costs, total costs, yields.

## Introduction

This article presents estimated costs of producing burley tobacco during 1982 and 1983 and projections for 1984. The major source of data is a 1977 survey of the 1976 costs of 790 tobacco producers in five major Kentucky and Tennessee production areas (table 1). The data have been updated from 1976 by use of price indexes for individual input items.<sup>1</sup>

The technology and input mix for 1982-84 are assumed to be the same as in 1976, except for two changes in 1982 and 1984. Because of the outbreak of blue-mold in the field in 1979 and the continued threat of this disease, it is assumed that 90 percent of the output is treated with a fungicide to control the problem. Also, farmers have largely changed from hand tying to baling burley tobacco as a means of preparing it for market. Baling reduces labor requirements. It is assumed that 70 percent of production was baled in 1982, 80 percent in 1983, and 90 percent will be baled in 1984. For 1983, harvest and stripping labor costs, as well as some other items, are adjusted to reflect low yields resulting from the drought.

Production costs vary widely from farm to farm because of differences in management, labor productivity, and other factors. The estimates reported here reflect average costs of farmers in the specified production areas.

The cost estimates cover variable costs, machinery and barn ownership, and general farm overhead. Variable costs include expenditures for labor, fertilizer and lime, pesticides, sucker-control chemicals, curing and heating fuel, custom operations, fuel and lubricants, repairs, tobacco crop insurance, marketing fees, and other costs, such as seed and plant bed canvas.

Hired, family, and exchange labor are all charged at prevailing farm wage rates. Machinery and barn ownership costs reflect the estimated age of these items for the year for which costs are calculated. General farm overhead includes costs for recordkeeping, utilities, and other items that are difficult to allocate to specific enterprises. Two additional cost components—management, and land and quota (the right to grow and market tobacco without a penalty)—are also estimated. The management charge is computed as 7 percent of the value of the crop. Crop values in 1982 and 1983 are calculated using the average annual prices received by farmers and estimated yields.

**Table 22.—Counties in the burley tobacco study area**

Kentucky <sup>1</sup>		
Adair	Nelson	Jefferson
Allen	Nicholas	Johnson
Anderson	Oldham	Macon
Bath	Owen	Pickett
Bourbon	Pendleton	Sevier
Boyle	Pulaski	Sullivan
Bracken	Robertson	Unicoi
Carroll	Russell	Union
Casey	Scott	Washington
Clark	Shelby	
Clinton	Spencer	
Cumberland	Taylor	
Fayette	Trimble	
Fleming	Washington	
Franklin	Wayne	
Gallatin	Woodford	
Garrard		
Grant	Tennessee <sup>2</sup>	
Green	Campbell	
Harrison	Carter	
Henry	Claiborne	
Jessamine	Clay	
Lincoln	Cocke	
Madison	Grainger	
Marion	Greene	
Mason	Hamblen	
Mercer	Hancock	
Monroe	Hawkins	
Montgomery	Jackson	

<sup>1</sup>For a more complete discussion of the concepts and procedures that underlie production cost estimates for burley tobacco see "Costs of Producing Burley Tobacco-1976," Verner N. Grise, TOBACCO SITUATION, TS-163, Washington, D.C., USDA, March 1978, pp. 37-42.

<sup>2</sup>The Kentucky study area includes the Bluegrass region and 12 south-central counties. <sup>2</sup>The Tennessee study area is located mostly in the eastern part of the State.



**Table 23.—Burley tobacco: Production costs per acre and per 100 pounds, by cost item, study area, 1982, preliminary 1983, and projected 1984**

Cost item	Year					
	Cost per acre			Cost per 100 pounds		
	1982	1983	1984	1982	1983	1984
<i>Dollars</i>						
Variable <sup>1</sup>	2231.89	1952.06	2482.46	90.64	120.13	104.53
Labor <sup>2</sup>	1275.22	1054.19	1324.86	51.79	64.88	55.78
Hired	444.48	367.44	461.78	18.05	22.61	19.44
Family and exchange	403.86	333.86	419.58	16.40	20.55	17.67
Operator	426.88	352.89	443.50	17.34	21.72	18.67
Fertilizer and lime	220.19	209.97	225.17	8.94	12.92	9.48
Pesticides <sup>3</sup>	73.25	72.73	72.94	2.98	4.48	3.07
Sucker control chemicals	14.06	13.96	14.15	0.57	0.86	0.60
Curing and heating fuel <sup>4</sup>	15.01	15.05	14.85	.61	.93	.63
Custom operations <sup>5</sup>	68.93	67.76	68.63	2.80	4.17	2.89
Fuel and lubricants	103.45	103.72	105.05	4.20	6.38	4.42
Repairs	68.26	68.45	70.00	2.77	4.21	2.95
Tobacco crop insurance <sup>6</sup>	42.43	.00	44.06	1.72	.00	1.86
Marketing fee	222.80	144.00	211.40	9.05	8.86	8.90
Other <sup>7</sup>	128.29	202.23	331.35	5.21	12.44	13.95
Machinery ownership costs <sup>8</sup>	337.76	342.00	345.37	13.72	21.05	14.54
Barn ownership costs <sup>9</sup>	322.52	324.39	326.94	13.10	19.96	13.77
Insurance <sup>10</sup>	41.92	42.03	42.50	1.70	2.59	1.79
Irrigation costs	20.76	21.02	21.45	.84	1.29	.90
General farm overhead	54.04	54.40	54.85	2.19	3.35	2.31
Management <sup>11</sup>	311.91	201.60	295.96	12.67	12.41	12.46
Total, excluding land and quota	3320.80	2937.60	3569.53	134.86	180.78	150.30
Land and quota charge <sup>12</sup>	1228.11	1086.91	1303.15	49.88	66.89	54.87
Yield per acre (pounds) <sup>13</sup>	2462	1625	2375	2462	1625	2375

<sup>1</sup>Includes interest on operating expenses. <sup>2</sup>Includes operator, family and exchange labor valued at prevailing wage rates. <sup>3</sup>Includes fungicides, herbicides, and pesticides. <sup>4</sup>Includes fuel for aiding curing and heating the stripping room. <sup>5</sup>Includes costs of materials in cases where the farmer could not separate the cost of the material and the cost of the custom operation. <sup>6</sup>Net of payment for losses. Assumed at zero in 1983 because of severe drought. <sup>7</sup>Includes tobacco seed, cover crop seed, plant bed canvas, car costs, mule and horse upkeep, and other miscellaneous items. It also includes the contribution to the no-net cost account and the charge for inspection and grading. <sup>8</sup>Excludes insurance. <sup>9</sup>Excludes insurance and taxes. <sup>10</sup>Includes tobacco's prorated share of general farm insurance, including machinery and barn insurance. <sup>11</sup>Estimated at 7 percent of gross receipts. <sup>12</sup>Calculated on the net-share rent basis. <sup>13</sup>The 1982 yield estimate is the weighted-average yield for counties within the study area. The 1983 yield estimate is based on the USDA Statistical Reporting Service national average yield estimate, adjusted to reflect the yield difference of the study area. The 1984 yield projection is based on the USDA Statistical Reporting Service's 10-year average U.S. yield adjusted to reflect higher yields in the study area.

For 1984, a projected price of \$1.77 is used. Yields for 1982 are based on USDA Statistical Reporting Service (SRS) estimates within the study area. Yields for 1983 are based on SRS national estimates, and yields for 1984 are based on an average of the last 10 years.

The charge for land and quota is based on the net-share rent approach. Net-share rent is the value of the landlord's share of the crop after subtracting landlord payments for fertilizer, chemicals, and other inputs, and allocating barn ownership costs.

### Cost Changes From 1982 to 1983

The variable costs for producing and selling burley tobacco declined 12-1/2 percent an acre in 1983 (table 2). The decline is attributable to lower input use because of reduced yields. Most of the reduction was the result of lower costs for harvest and market-preparation labor. Variable costs per 100 pounds jumped 36 percent, partly because of higher input prices, but largely because of the sharp drop in yields.

Labor costs account for around 55 percent of all variable costs. Wage rates rose about 4 percent in 1982. The increase was dampened because the Federal minimum

wage rate remained at \$3.35 a hour for farm employees covered by the law<sup>2</sup>. The unemployment rate declined in 1983, but more people were competing for farm jobs than during the late 1970's.

After a small increase in 1982, fertilizer prices fell in 1983. Pesticide and fuel prices rose slightly.

Total costs per acre, excluding land and quota, declined 11.5 percent in 1983. However, total costs per pound rose by more than one-third because of sharply lower yields. Prices of new machinery and construction costs of new barns continued to rise, but at a slow rate.

Land and quota charges per acre averaged 11 percent lower. The reduction reflects lower yields. Quota costs per 100 pounds were about a third higher in 1983.

### Projected Costs in 1984

Variable costs are projected to rise about 27 percent an acre this year, and total costs about 22 percent. Costs per 100 pounds may fall about 17 percent if yields rise to the 1972-81 average. The cost decline is dampened by

<sup>2</sup>Farm employers who have hired 500 or more man-days during at least one calendar quarter of the previous year are subject to the Federal minimum wage rate.

hikes in the no-net-cost assessment and some other input items.

Wage rates are likely to rise somewhat. The Federal minimum wage is not scheduled to change in 1984, but unemployment rates are declining, and with average yields, labor needs will expand. On the other hand, labor needs per pound continue to decline as less-labor intensive methods of preparing tobacco for market are adopted.

Fuel and pesticide prices may change little from 1983. Fertilizer prices may rise 6 to 8 percent because of increased demand.

Total costs, excluding land and quota, are projected to rise to \$3,570 an acre in 1984—\$150.30 per 100 pounds of tobacco. Much of the rise stems from anticipation of more normal yields. Price hikes for fertilizer and labor and a 4-cent-a-pound increase in the no-net-cost assessment will also contribute to the increase. Input prices may rise a little more than a year ago. The charge for

land and quota is forecast to decline to \$54.87 per 100 pounds, compared with \$66.88 in 1983.

## Conclusions

The total cost per acre for producing and selling burley tobacco, excluding land and quota, could rise about 22 percent in 1984, compared with an 11-1/2 percent drop in 1983. The key factors governing the large change in costs over the last 2 years are changes in yields and labor requirements caused by the 1983 drought.

Costs vary markedly from one tobacco grower to another. The cost estimates presented are averages and probably overstate those for a tobacco grower whose tractors, machinery, and barns are fully depreciated. On the other hand, the estimates may understate costs for a tobacco grower with new equipment and barns. Also, keep in mind that the estimates include out-of-pocket costs plus opportunity costs for the unpaid inputs of management and labor performed by the operator and his or her family.

## Up-to-Date Ag Trade Statistics from the Source



If you need to know about agricultural trade, you need **Foreign Agricultural Trade of the United States (FATUS)**, USDA's bimonthly statistical report on farm exports and imports.

Every other month, FATUS brings you articles and detailed statistics on:

- Ag exports and imports of over 100 commodities
- Price developments in ag trade
- The most current information available on the farm trade situation

In addition, FATUS periodically presents feature articles and statistics on:

- Ag trade with selected countries
- Farm export estimates by State
- Government ag export programs

Every year, you will receive two comprehensive volumes of annual statistics—calendar year and fiscal year—on quantity and value of exports and imports by commodity and country.

If these are the statistics you need, you need FATUS.

Subscriptions may be purchased from:

**Superintendent of Documents  
U.S. Government Printing Office  
Washington, D.C. 20402**

Include your name, address, ZIP code, and a check or money order for \$19 (\$23.75 for foreign subscribers) payable to Superintendent of Documents. Or charge your subscription to your VISA, MasterCard, or GPO deposit account (include account number and expiration date). For faster service, phone in charge orders to GPO by calling (202) 783-3238.

# STATISTICAL SUMMARY

Item	Unit or base period	1983			1984		Last data as percentage of a year earlier
		April	May	March	April	May	
Average price at auctions							
Flue-cured	Ct. per lb.	closed	closed	closed	closed	closed	—
Burley	Ct. per lb.	closed	closed	closed	closed	closed	—
Maryland	Ct. per lb.	156.5	closed	128.0	97.0	closed	62
Virginia fire-cured	Ct. per lb.	closed	closed	closed	closed	closed	—
Ky.-Tenn. fire-cured	Ct. per lb.	closed	closed	142.0	closed	closed	—
Ky.-Tenn. dark air-cured	Ct. per lb.	closed	closed	closed	closed	closed	—
Virginia sun-cured	Ct. per lb.	closed	closed	closed	closed	closed	—
Price support level <sup>1</sup>							
Flue-cured	Ct. per lb.	169.9			169.9		100
Burley	Ct. per lb.	175.1			**		
Virginia fire-cured	Ct. per lb.	118.8			**		
Ky.-Tenn. fire-cured	Ct. per lb.	123.0			**		
Ky. Tenn. dark air-cured	Ct. per lb.	105.7			**		
Virginia sun-cured	Ct. per lb.	109.4			**		
Wis. binder and Ohio filler	Ct. per lb.	90.7			**		
Puerto Rican filler	Ct. per lb.	90.9			**		
Parity index <sup>2</sup>	1910-14=100	1102	1106	1140	1141	1141	103
Industrial production index <sup>3</sup>	1967=100	142.6	144.4	160.9	163.1	—	114
Employment	Mil.	99.6	99.8	104.1	104.4	—	105
Personal income <sup>4</sup>	Bil. dol.	2689.0	2719.3	2942.3	2957.1	—	110
		1983			1984		
		March	April	February	March	April	
Taxable removals							
Cigarettes	Bil.	54.4	47.5	44.6	50.8		93
Cigars and cigarillos	Mil.	294.6	259.8	257.6	297.8		101
Accumulated from Jan. 1							
Cigarettes	Bil.	145.7	193.2	94.5	145.3		100
Cigars and cigarillos	Mil.	797.5	1057.3	533.7	831.5		104
Invoiced to domestic customers							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	6.9			6.1		88
Chewing tobacco	Mil. lb.	20.2			20.7		102
Snuff	Mil. lb.	10.6			11.0		104
Tax-exempt removals							
Cigarettes	Bil.	5.6	4.3	4.8	5.7		102
Exports	Bil.	4.2	4.3	4.4	4.9	5.1	119
Cigars and cigarillos	Mil.	14.4	7.6	12.6	9.7		67
Accumulated from Jan. 1							
Cigarettes	Bil.	18.5	22.8	10.0	15.8		85
Exports	Bil.	15.7	20.0	8.1	13.0	18.1	91
Cigars and cigarillos	Mil.	36.2	43.8	21.6	31.2		86
Invoiced for export							
Accumulated from Jan. 1							
Smoking tobacco	Mil. lb.	.2			.1		50
Chewing tobacco	Mil. lb.	*			*		—
Producer price indexes <sup>5</sup>							
Tobacco products	1967=100	335.1	354.7	390.3	390.3	390.4	110
Cigarettes (filtertip, king size)	1967=100	303.7	348.3	388.1	388.1	388.1	111
Cigars	1967=100	177.1	180.1	180.5	180.7	180.7	100
Smoking tobacco	1967=100	357.4	357.4	377.2	377.2	377.2	106
Plug chewing tobacco	1967=100	N.A.	N.A.	N.A.	N.A.	N.A.	—
Snuff	1967=100	379.3	371.1	405.4	405.4	401.4	108
Consumer price indexes (urban)							
Tobacco products	1967=100	283.3	284.9	305.4	305.6	305.9	107
Cigarettes	1967=100	290.4	292.0	313.8	313.8	314.1	108
Other tobacco products <sup>6</sup>	Dec. 1977=100	148.6	149.6	156.1	157.0	156.8	105
Imports of tobacco (for consumption)							
Cigarette leaf	Mil. lb.	17.5	22.1	35.7	29.8		170
Cigar tobacco (leaf and scrap)	Mil. lb.	3.6	5.1	5.3	7.1		197
Other tobacco (leaf and scrap)	Mil. lb.	10.0	14.4	19.1	11.5		115
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	48.9	71.0	53.6	83.4		171
Cigar tobacco (leaf and scrap)	Mil. lb.	10.4	15.5	12.8	19.8		190
Other scrap and tobacco NSPF	Mil. lb.	28.4	42.8	25.9	37.4		132

See footnotes at end of table.



# STATISTICAL SUMMARY—CONTINUED

Item	Unit or base period	1983			1984		Last data as percentage of a year earlier
		March	April	February	March	April	
Exports of leaf tobacco (farm-sales weight)							
Flue-cured	Mil. lb.	30.5	21.0	29.3	27.6	29.9	142
Burley	Mil. lb.	24.8	24.8	21.8	22.3	7.0	28
Maryland	Mil. lb.	.2	.3	.3	.1	.3	100
Virginia fire- & sun-cured	Mil. lb.	*	*	.1	.2	.5	—
Ky.-Tenn. fire-cured	Mil. lb.	2.6	2.3	1.6	.9	1.0	43
Ky.-Tenn. dark air-cured	Mil. lb.	*	*	*	.2	.4	—
Cigar wrapper	Mil. lb.	*	*	.2	.1	.2	—
Cigar binder	Mil. lb.	.1	*	*	*	*	—
Accumulated from beginning of marketing year <sup>8</sup>							
Flue-cured	Mil. lb.	389.5	410.5	352.4	380.0	409.9	100
Burley	Mil. lb.	56.6	81.5	53.8	76.1	83.1	102
Maryland	Mil. lb.	4.5	4.9	2.0	2.1	2.4	49
Virginia fire- & sun-cured	Mil. lb.	1.2	1.2	1.0	1.1	1.6	133
Ky.-Tenn. fire-cured <sup>9</sup>	Mil. lb.	12.5	14.8	12.9	13.8	14.8	100
Ky.-Tenn. dark air-cured <sup>9</sup>	Mil. lb.	.4	.4	1.2	1.4	1.8	450
Cigar wrapper	Mil. lb.	.9	.9	1.1	1.3	1.5	167
Cigar binder	Mil. lb.	.1	.1	.1	.1	.1	100
Cigar filler	Mil. lb.	.2	.2	.1	.1	.2	100
Exports of manufactured tobacco in bulk and not elsewhere classified <sup>10</sup>							
	Mil. lb.	1.2	3.0	1.3	1.7	3.7	123
Accumulated from Jan. 1	Mil. lb.	4.1	7.1	4.5	6.2	9.9	139
Quarterly data							
		1983		1984			
		Jan.-Mar.	April-June	Jan.-March	April-June		
Stocks of tobacco—1st of quarter (farm-sales weight) <sup>3</sup>							
Domestic types							
Flue-cured	Mil. lb.	2692	2390	2550	2330		97
Burley	Mil. lb.	1448	1560	1537	1509		97
Maryland	Mil. lb.	41	46	48	53		115
Fire-cured	Mil. lb.	65	97	76	89		92
Dark air- and sun-cured	Mil. lb.	42	53	47	50		94
Cigar filler	Mil. lb.	60	70	62	65		93
Cigar binder	Mil. lb.	64	76	67	77		101
Cigar wrapper	Mil. lb.	5	4	4	4		100
Under Government loan <sup>12</sup>	Mil. lb.	820	1023	1120	1298		127
Foreign types							
Cigarette and smoking	Mil. lb.	856	902	875	894		99
Oriental	Mil. lb.	366	408	364	401		98
Flue-cured	Mil. lb.	207	207	236	227		110
Burley	Mil. lb.	282	286	275	267		93
Cigar	Mil. lb.	93	88	83	89		101
Tobacco outlets <sup>13</sup>							
Seasonally adjusted data, annual rates, for charts							
Cigarettes							
Production	Bil.	702.0	670.3	669.2	650.0		97
Tax-paid removals	Bil.	606.0	613.8	573.0	590.0		96
Cigar production							
Large	Bil.	3.38	3.30	3.55	3.45		105
Small	Bil.	1.30	1.42	1.35	1.45		102
Smoking production	Mil. lb.	29.1	29.3	25.9	26.4		90
Chewing production							
Loose leaf	Mil. lb.	73.8	76.8	70.2	72.4		94
Plug and other	Mil. lb.	16.8	15.2	14.3	13.8		91
Snuff production	Mil. lb.	45.2	45.9	46.2	46.9		102
Exports of leaf							
Total	Mil. lb.	434	577	552	600		104
Flue-cured	Mil. lb.	363	303	390	325		107

<sup>1</sup>1983 and 1984 crops, respectively. <sup>2</sup>Prices paid by farmers including interest, taxes, and wage rates. <sup>3</sup>Seasonally adjusted. <sup>4</sup>Seasonally adjusted, annual rate. <sup>5</sup>Federal and applicable State and local taxes included. <sup>6</sup>Includes tobacco accessories. <sup>7</sup>Farm-sales weight equivalent. <sup>8</sup>July 1 for flue-cured and cigar wrapper and October 1 for others. <sup>9</sup>Includes Black Fat. <sup>10</sup>Smoking tobacco in bulk through December 1977. Beginning January 1978 blended strips no longer included. <sup>11</sup>Holdings of manufacturers and dealers, including grower cooperatives. <sup>12</sup>Reported by grower cooperatives. <sup>13</sup>Latest quarter is estimated. \*Less than 50,000 pounds. \*\*Estimated. Items may not add because of rounding. Data comparable to earlier years not available.

# Economic Indicators of the Farm Sector series

# Economic Indicators of the Farm Sector series

Keep tabs on farm income and expenses with the Economic Indicators of the Farm Sector series.

of five separate reports, offered now on a subscription basis, explores of U.S. farms to give you a comprehensive update on where




# Economic Status of the Farm Sector

Keep tabs on farm income and expenses with the Economic Income Sector series.

This series of five separate reports, offered now on a subscription basis, explores the economic status of U.S. farms to give you a comprehensive update on where U.S. agriculture is headed.

The titles you will be receiving:

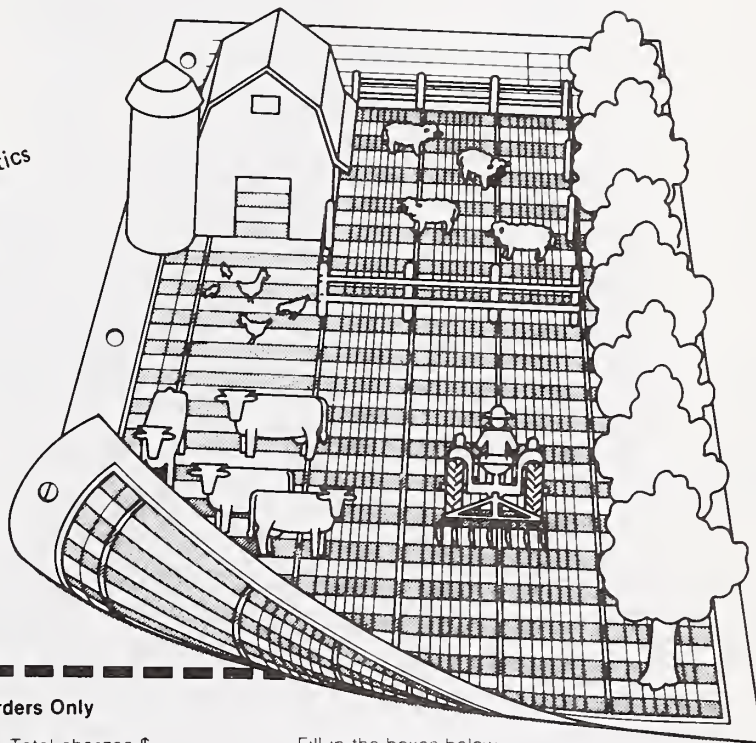
- Farm Income Statistics
- Farm Expenses Statistics
- Farm Income and Expenses Statistics
- Farm Income and Expenses by Farm Type Statistics
- Farm Income and Expenses by Farm Size Statistics

A simple line drawing of a farm building with a gabled roof and a small square window. To the left of the building is a tall, cylindrical silo with a conical top.

Here are the titles you will be receiving:

are the titles you will be

Income and Balance Sheet Statistics  
State Income and Balance Sheet Statistics  
Farm Sector Review  
Production and Efficiency Statistics  
Costs of Production



## Economic Indicators of the Farm Sector Order Form

Enclosed is \$ \_\_\_\_\_ ☐ check,  
☐ money order, or charge to my  
 Deposit Account No. \_\_\_\_\_

							-	
--	--	--	--	--	--	--	---	--

Order No. \_\_\_\_\_

**Mail to:**  
**Superintendent of Documents**  
**U.S. Government Printing Office**  
**Washington, D.C. 20402**

**For Office Use Only**

Quantity	Charges
----------	---------

\_\_\_\_\_ Enclosed \_\_\_\_\_  
 \_\_\_\_\_ To be mailed \_\_\_\_\_  
 \_\_\_\_\_ Subscriptions \_\_\_\_\_

Postage \_\_\_\_\_

Foreign handling \_\_\_\_\_

MMQB \_\_\_\_\_

QPNR \_\_\_\_\_

UPNS

Discount

           Refund

### Credit Card Orders Only



Total charges \$\_\_\_\_\_ Fill in the boxes below

[illegible]

Expiration Date      
Month/Year

Please enter my subscription to **Economic Indicators of the Farm Sector (ECIFS)** for one year at \$15.00 Domestic; \$18.75 Foreign.

Name—First Last									
Company name or additional address line									
Street address									
City					State		ZIP Code		
(or Country)									

PLEASE PRINT OR TYPE

Make checks payable to: Superintendent of Documents.

[illegible]

PLEASE PRINT, TYPE, OR USE MAILING LABEL FROM BACK COVER





# Reports of the Economic Research Service

## U.S. Department of Agriculture

	Subscription Fee			Subscription Fee	
	Domestic	Foreign		Domestic	Foreign
<b>Outlook &amp; Situation Reports</b>			<b>Other Reports</b>		
<input type="checkbox"/> Agricultural Exports (4 issues)	\$7.00	\$8.75	<input type="checkbox"/> Agricultural Economics Research (4)	\$8.50	\$10.65
<input type="checkbox"/> Cotton & Wool (4)	8.00	10.00	<input type="checkbox"/> Agricultural Outlook (11)	31.00	38.75
<input type="checkbox"/> Dairy (4)	8.00	10.00	<input type="checkbox"/> Economic Indicators of the Farm Sector (5)	15.00	18.75
<input type="checkbox"/> Feed (4)	8.50	10.65	<input type="checkbox"/> Farmline (11)	16.00	20.00
<input type="checkbox"/> Fruit (4)	8.00	10.00	<input type="checkbox"/> Foreign Agricultural Trade of the U.S. (8) (6 issues plus 2 supplements.)	19.00	23.75
<input type="checkbox"/> Inputs (4)	8.50	10.65	<input type="checkbox"/> Handbook of Agricultural Charts (1)	5.00	6.25
<input type="checkbox"/> Livestock & Poultry (6)	15.00	18.75	<input type="checkbox"/> National Food Review (4)	8.50	10.65
<input type="checkbox"/> Oil Crops (4)	8.00	10.00			
<input type="checkbox"/> Rice (2)	5.00	6.25			
<input type="checkbox"/> Sugar & Sweetener (4)	8.00	10.00			
<input type="checkbox"/> Tobacco (4)	8.00	10.00			
<input type="checkbox"/> Vegetable (4)	8.00	10.00			
<input type="checkbox"/> Wheat (4)	8.00	10.00			
<input type="checkbox"/> World Agriculture (4)	9.00	11.25			
<input type="checkbox"/> World Agriculture Regionals (11)	18.00	22.50			
North America/Oceania, Latin America, Eastern Europe, Western Europe, USSR, Middle East and North Africa, Sub-Saharan Africa, East Asia, China, South Asia, Southeast Asia			For single copy prices, call <b>(202) 783-3238</b>		

Note: **ERS Abstracts**, issued periodically, provides descriptive information of current research reports and other publications and their purchase prices. To be placed on the free mailing list for **ERS Abstracts**, and for additional details about ordering publications, please contact: Information Division, Room 4309-S, USDA, Washington, D.C. 20250. (202) 447-7305 and 447-8590.

### HOW TO ORDER

\*Check appropriate box.

\*Calculate the total charges for subscriptions and enter below.

\*If your address is outside the United States, use "foreign" price.

\*Make check or money order payable to the Superintendent of Documents.

\*Allow 6 weeks for processing.

\*For faster service or foreign air mail information, call (202) 783-3238.

\*Mail this entire form to: Superintendent of Documents  
Government Printing Office  
Washington, D.C. 20402

Enclosed is \$ \_\_\_\_\_ ☐ check,  
☐ money order, or charge to my  
Deposit Account No.

\_\_\_\_\_-\_\_\_\_

Order No. \_\_\_\_\_

**MasterCard and  
VISA accepted.**



#### Credit Card Orders Only

Total charges \$ \_\_\_\_\_

Fill in the boxes below

Credit Card No. \_\_\_\_\_

Expiration Date  
Month/Year \_\_\_\_\_

Customer's Telephone No.'s			
Area Code	Home	Area Code	Office

Charge orders may be telephoned to the GPO order desk at (202)783-3238 from 8:00 a.m. to 4:00 p.m. eastern time, Monday-Friday (except holidays).

#### For Office Use Only

Quantity	Charges
_____ Publications	_____
_____ Subscriptions	_____
Special Shipping Charges	_____
International Handling	_____
Special Charges	_____
OPNR	_____
=====	
_____ UPNS	_____
_____ Balance Due	_____
_____ Discount	_____
_____ Refund	_____

Company or Personal Name

\_\_\_\_\_

Additional address/attention line

\_\_\_\_\_

Street address

\_\_\_\_\_

City

\_\_\_\_\_

State

\_\_\_\_\_

ZIP Code

\_\_\_\_\_

(or Country)

\_\_\_\_\_

**PLEASE PRINT OR TYPE**

UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS  
PENALTY FOR PRIVATE USE, \$300

**Moving?** To change your address send this sheet with label intact, showing new address, to EMS Information, Rm.400-GHI, USDA, Washington, D.C. 20250.



Postage and Fees Paid  
United States  
Department of Agriculture  
AGR-101

**FIRST CLASS**

## ELECTRONIC INFORMATION

Economic Outlook and Situation report summaries are available to subscribers of electronic mail systems and data systems.

The summaries highlight the latest USDA supply/demand and price forecasts for U.S. and world crops and livestock, and prospects for exports and the agricultural economy.

The summaries are on line by 3:30 p.m., Washington, D.C. time, on the dates listed (release dates are subject to change). Full reports are on the electronic mail systems in a few days.

For information on providers of this service, call (202) 382-9759, or write EMS Information, USDA, Room 440 GHI, Washington, D.C. 20250.

### June

- 6 Sugar & Sweeteners
- 7 Tobacco
- 12 World Supply & Demand
- 20 Dairy
- 22 World Supply & Demand

### July

- 3 Agricultural Outlook
- 5 Livestock & Poultry
- 11 World Supply & Demand
- 13 Fruit
- 17 Farm Real Estate
- 24 Wheat
- 25 Inputs
- 26 Oil Crops
- 30 Vegetables

### August

- 1 Livestock & Poultry
- 2 Agricultural Outlook
- 13 World Supply & Demand
- 16 Feed
- 20 Exports
- 27 Cotton & Wool
- 28 World Agriculture

### September

- 4 Agricultural Outlook
- 10 Sugar & Sweeteners
- 13 World Supply & Demand
- 17 Fruit
- 18 Tobacco
- 19 Dairy
- 20 Rice
- 25 Inputs
- 28 Livestock & Poultry